THE EFFECT OF MARKETING PROGRAMMES ON BUYING BEHAVIOUR OF LIBYAN CONSUMERS

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بسمك اللّهم

In the name of Allah, we start

Dedication …

To Those I Love and Those Who Give Me the hope.

In loving memory of

All Libyan People who are dying for Freeing Libya
(Libyan War Feb 2011-   )

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Although this thesis is submitted as a personal work, many people have made direct and indirect contributions without which its completion would not have been possible. Here, I wish to take this opportunity to express my gratitude.

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Abstract

It has been suggested that marketers must understand cultural differences in order to develop their marketing programmes across borders. Conversely, it is also argued that defined groups, in different countries, can be targeted in a similar way. These two perspectives raised the question that '*to which extent should marketing programmes be standardised across the world*'. The issues of Standardisation versus Adaptation in global marketing have received substantial attention from researchers over the past three decades. Opinions have varied, and the debate continues, lively, today. This has stressed the importance of cross-countries marketing programme research for practical and academic alike. This research sets out to investigate how suppliers of global companies presently interpret the need for adaptation in an emergent and increasingly relevant market (Libya) and how Libyan consumers react to their decisions through identify the influence of foreign marketing programmes on their buying behaviour. Also, to determine how Libyan consumers are influenced by marketing programmes according to individual characteristics to build a model for their buying behaviour.

The research consists of two phases to study the foreign marketing programme in Libya from two different points of views. Firstly, using structured interviews with the managers of four home appliances subsidiary agents in Libya, the actual degree of marketing programme standardisation currently adopted for fast-moving consumer/household goods was determined in Libyan market. Secondly, using a survey of 805 randomly chosen consumers, located in three major urban conurbations (Tripoli, Benghazi and Sabha), the research identifies what factors should be taken as significant variables in understanding the impact of foreign marketing programmes on Libyan consumers.

The findings showed that foreign companies tend to apply a standardisation perspective to their marketing activities, but that this is neither consistently, nor – to some degree – effectively applied. Furthermore, the research revealed that buying behaviour of Libyan consumers was more a function of individual difference than of localised adaptation variables. In conclusion, the thesis may be stated that the understanding of consumer characteristics within the regional context (Arab/Islam) is the key consideration in designing marketing programme for this part of the world.

Table of Contents

Figures and Tables

Glossary of Abbreviations

4P's	Product, Price, Promotion and Place
7P's	4P's, People, Process and Physical
AMA	American Marketing Association
CFA	Confirmatory Factor Analysis
EFA	Exploratory Factor Analysis
EU	European Union
MCQ	Multi Choice Questions
MNC	Multi National Company
PLC	Product Life Cycle
SEM	Structural Equation Modelling
WOM	Word of Mouth

1. CHAPTER 1: INTRODUCTION

In marketing everything changes, and everything matters so the perfect plan of today can become the reason for failure tomorrow (Keegan 2004:16)

1.1. Research Background

Marketing has become one of the most important functions of organisations, if not the most important. Peter Drucker comments on that by considering the two most important functions of business are *marketing* and *innovation*. These functions generate income for the organisations and the rest are merely costs (Drucker, 1999).

Therefore, the modern concept of marketing embodies the main thinking line of the managerial process in the business today. It is the whole business seen from the point of view of its final result; that is, from the consumer's point of view (Levitt, 1983; Brownlie and Saren, 1992; Christian *et al.,* 1999; Drucker, 1999). Accordingly, the study of consumer behaviour is the starting point of the marketing process, where the task is analysing consumers' needs and desires, and then developing products which satisfy these needs and desires. However, the understanding of consumer behaviour is not an easy matter; it is linked to many factors and effects, which make it a complicated process (Arnould *et al.,* 2004; Blackwell *et al.,* 2006; Armstrong and Kotler, 2008).

Marketers are interested in how consumers behave towards their marketing programmes. They are concerned about how the consumers consider/evaluate the company's offerings, as achieving customer satisfaction is one of the most important competitive advantages. However, consumer behaviour is affected by a number of personal, psychological, cultural and social factors which cannot be controlled, but can be dealt with, and even be benefitted from (Kotler, 2003). Therefore, it is important for marketers to be acquainted with these factors, and the impact they can have on consumer behaviour in order to produce an effective marketing programme. Accordingly, the need to study the impact of marketing activities on the consumer behaviour within the context of buying process arises here.

The marketing literature has provided an analysis of consumer behaviour that it is affected by various factors (e.g., Kotler, 2003; Jobber, 2007). However, do these factors

have equal force-effect? Do the changes in business environment contribute to reduce some of these factors' effects on consumer behaviour? The knowing of how these factors interact is the way to answer the eternal question in the marketing; *why consumers buy?*

The marketing concept holds that marketing programmes will be more effective when they are tailored to each target group, and this also applies to foreign markets (Kotler, 2003). While some literature does indicate this, there is no an empirical evidence to support this view. Indeed, there are cultural convergences in the lifestyle groups that can be targeted in a similar way (Levitt, 1983; Jain, 1989; Lindridge and Dibb, 2003). Conversely, there is evidence that the cultural differences override lifestyle similarities (Mooij, 2004). Consequently, the pendulum of studies in this area has swung between the need for the adaptation and the need for standardisation (Soares, 2004).

Dawar Parker and Price (1997) suggested that the wisdom which said that 'when you crossed borders from one country to another country everything changed' has been a conventional wisdom. However, in their study, which surveyed 800 individuals from 36 different nationalities, this was questionable. The data showed that a difference in nationality does not necessarily mean a difference in consumer behaviour and the cultural factor should not be taken as an important variable in many marketing decisions.

This is also indicated by a study conducted on consumers from Britain and Portugal which found that the cultural values did not have a strong influence on the consumer behaviour (Soares, 2004). The studies showed a remarkable decrease of the influencing role of cultural values (cultural factors) as an identifier of consumer behaviour and this is also supported by a study of consumers from the United States and China, which showed more similarities than differences in their buying behaviour (Johnson and Chang, 2000).

The marketing literature indicates that marketers who want to sell goods and/or services across national borders face an extremely complex situation (McCarty *et al.,* 2007). However, a high degree of similarity and homogeneity between markets in terms of consumers, context and so forth might facilitate this task. Although this can be attributed to various factors, such as the transformability of their operations, economic freedom and competition, the key variables are those that relate to consumer behaviour

(Viswanathan and Dickson, 2007). The focus in this research is on the cultural factor's potential impact on the consumer behaviour, as well as the feasibility of taking it as an important variable in the design of marketing programmes.

Here, cultural factors appear the most complicated in understanding of the model of consumer behaviour (Armstrong and Kotler, 2008). However, the cultural factors' effects have been reduced (Levitt, 1983). Also, the tendency of the business firms to implement the standardisation strategy (Jain, 1989; Wathek, 2006), especially for large companies which operate in the international markets, is met with an increasing influence of individual characteristics on consumer behaviour (Dawar *et al.,* 1997). Therefore, the current research intends to investigate the causal examinations and explanations for determining to what extent do cultural and/or individual factors impact Libyan consumer perspectives on foreign marketing programmes.

1.2. Aims of the Research

This PhD sets out to investigate the effect of marketing programmes on the buying behaviour of Libyan consumers. Specifically, it aims to:

1. Identify the influence of foreign marketing programmes on the buying behaviour of Libyan consumers.
2. Determine how Libyan consumers are influenced by marketing programmes according to individual characteristics to build a model for their buying behaviour.

Research Problem

1.3. The Research Problem and Questions

The question of whether to adapt or standardise marketing programme across international markets has created a lively debate in recent years. Opinion has swung between the need 1) for adaptation and 2) for standardisation (Soares, 2004), and this remains a point of both practical and academic debate today (Viswanathan and Dickson, 2007).

The dilemma, though, has become more complex with time. Economic, political and social turbulence now characterise an increasingly globalised marketplace (Kotler and Caslione, 2009) and the range of factors likely to impact standardisation/adaptation decisions is more diverse than ever. Clearly, difficulties of understanding and

application are exacerbated when the cultural identity of a company and its target market look likely to clash, and this situation is what many international operators face when entering Arab/Muslim markets (Marinov, 2007).

As Libya has encouraged international trade in recent years (Porter, 2007), and this once-closed economy is now attracting interest from foreign companies (Rennack, 2006), Libya provides a good opportunity for research in this area. Since 2003, when UN sanctions were lifted, Libya has made substantial progress on economic reforms as part of a broader campaign of international re-integration (The World Fact Book, 2010), and it has taken great strides in re-building relationships with the global community (Porter, 2007). Libya's laws concerning foreign trade, investment, and commercial identity were relaxed in 2000 (Porter, 2007). However, despite relaxation of barriers to entry, Libya is still seen as a capricious business environment, and this has served to stifle regional commercial ambitions (The Economist, 2010). Libya revised commercial characteristics and a growing awareness of its business potential, therefore, coupled with, a limited empirical understanding of marketing, generally, in developing economies (Jain 1989; Ozsomer and Simonin, 2004) and, specifically, a lack of Libya-based consumer research (US & FCS, 2006). Hence, Libya's place in a concurrently emerging and fast-growing Arab market makes this an especially intriguing focus for study.

Understanding how suppliers interpret the need for adaptation and, also, how consumers react to their decisions is now an imperative in this part of the world. This research seeks to address these issues, using fast-moving consumer white goods as a context, through answering the following questions which are fourfold and maybe stated as:

Q.1 To what degree do foreign companies adapt/standardise their marketing programmes in Libya?

Q.2 How are Libyan consumers influenced by these foreign marketing programmes?

Q.3 To what extent do cultural and/or individual factors impact on Libyan consumer perspectives toward foreign marketing programmes?

Q.4 What are the key cultural and/or individual factors that should be taken as significant variables in understanding the impact of marketing programmes for Libyan consumers?

For the first question, interviews were conducted with marketing managers from the four major home appliance suppliers in Libya: SHARP, Philips, LG and Hitachi. The Libyan market has been subject to recent dynamic change (Porter, 2007) and though some of their products were available during Libya's socialist era, all companies are effectively new market entrants, developing anew their understanding of the Libyan market. For the remaining three questions, a major questionnaire survey of 805 randomly chosen consumers, located in three major urban conurbations (Tripoli, Benghazi and Sabha) was conducted. Analysis was drawn on data from both sources.

1.4. The Research Hypotheses

In order to investigate the questions and test them statistically in this research project, nine hypotheses are addressed below. These hypotheses are developed through the review of literature on consumer buying behaviour and international marketing mix strategies. The construction of these hypotheses is discussed in greater detail in chapter 5. Then, the hypotheses are tested and evaluated in chapter 8.

Hypothesis 1

The Libyan consumers' responses toward 4P's can predict their buying behaviour

Hypothesis 2

The behavioural aspects of Libyan consumers are influenced by their individual characteristics.

Hypothesis 3

The behavioural aspects of Libyan consumers are causally linked with buying behaviour toward 4P's.

Hypothesis 4

The used indicators can predict the behavioural aspects of Libyan consumers as one construct

Hypothesis 5

The foreign marketing programmes in Libya influence on consumer buying behaviour.

Hypothesis 6

The degree of standardisation is a significant variable in influencing on Libyan consumers.

Hypothesis 7

The foreign marketing programmes under research in Libyan market are standardised.

Hypothesis 8

The foreign home appliances companies in Libya use similar 4P's with their home country market

Hypothesis 9

The factors of product features, mode-of-entry, headquarters-subsidiary relationship and the level of Competition influence on the degree of standardisation.

1.5. Research Methodology and Methods

In recent years, there has been a growing body of knowledge and research into the effect of marketing stimuli on consumer behaviour (Howard and Mason, 2001; Malhotra, 2004). Generally, this research has been trended strongly to adopt quantitative methods as researchers have wanted information based on extrapolating from a sample to a general population (Hague, 2002). Similarly, the quantitative research is used within this project for yielding results that are representative and generalisable for the total population.

Although, qualitative approaches are very useful for *explaining* consumer behaviour, the nature of the research's objectives requires focusing on specific factors and determines their statistical effect on specific buying behaviour characteristics. Also, the research aims to contribute to the debate between standardisation and adaptation. Hence, its findings must be comparable with other studies. This can be provided by the quantitative method.

Consequently, a questionnaire was used for collecting the bulk of the data, and this is the most common instrument used to collect primary market-related data (Kotler, 2003). The selection of the questionnaire was necessary for collecting information from a large number of consumers, which reflects their responses and reactions towards the foreign

marketing programme. Besides, interviews, however, were conducted with the managers of foreign marketing campaigns in Libya. The structured interview was used in order to establish actual marketing practice and to develop an index of adaptation, finding out *why* specific approaches were adopted would, clearly, have required in-depth interview (Ozsomera and Simonin 2004).

1.6. Research Context

This research has adopted the structure of the traditional four Ps marketing mix (Product, Price, Promotion and Place) which has been used for representing the implementation of international marketing programmes in numerous studies (Ozsomera and Simonin, 2004; Siraliova and Angelis, 2006; Viswanathan and Dickson, 2007). Furthermore, some of international companies in the home appliances industry adopt the four Ps in their marketing strategies across the world (Ronkainen and Menezes, 1996; LG's Growth Strategies in India, 2006). The combined association of internationally distributed white goods and the 4 'P's provides a fixed backdrop against which to consider other contingent variables more relevant to this study. However, the present research considers all aspects of the marketing mix from a market entrant perspective (assuming service elements to be part of the local, distribution, aspect of the programme). Here, although marketing management literature includes numerous marketing paradigms such as 7Ps (e.g., Vargo and Lusch, 2004), the relationship marketing (e.g., Grönroos, 1994) and interactive marketing (e.g., Peattie and Peters, 1997), in the particular case of this research, using the four Ps as a framework appears appropriate, as this research focuses on marketing implementation in an emerging market (Libya) of a single category of consumer products (home appliances).

'Market' is, of course, an entity with immense inherent diversity, and any individual study will be inevitably selective. It has been observed, though, that international home appliance manufacturers were early to recognise the commercial promise of the region. Therefore, this product category was chosen as a context for the research. Additionally, this product category is appropriate (TVs, refrigerators and air-conditioners), because these products are considered as high involvement (Gentry *et al.,* 1995). Also, there are international companies which have, recently, entered the Libyan market in the home appliances industry.

1.7. Contribution of Thesis to Knowledge

The marketing thinkers, Armstrong and Kotler (2007) have said that the question of whether to adapt or standardise the Marketing Mix across international markets has created a lively debate in the recent years. The literature has indicated that there is limited number of empirical studies in the area of international marketing on standardisation issue in lesser developed countries, as they mostly have concentrated in the developed countries (Jain 1989; Ozsomer *et al.,* 1991; Ozsomer and Simonin 2004). Also, the research that studies all aspects of global marketing programmes across the world are limited (e.g., Gentry *et al.,* 1995; Ryans *et al.,* 2003; Siraliova and Angelis; 2006). Therefore, the need for empirical studies in the area of international marketing on standardisation issues in the developing countries has risen. For that, the current research contributes to the existing knowledge by empirically investigating (1) the actual marketing practices of all overseas players, in one product category, in a single Arab subsidiary market (Libya) and (2) how consumers in this market response/behave towards these foreign marketing practices, in order to gather evidence to determine whether or not the standardisation can be supported, and whether the national culture is more or less relevant.

By taking into account the growing awareness towards the Libyan market in recent year (Rennack, 2006; Porter, 2007) and the cultural similarity of Libyan consumers to those in other parts of the Arab World (Hofstede, 2001), this research offers, potentially, insight into a concurrently emerging and growing Arab market, as Libya can stand as a proxy for this nation. Therefore, understanding how suppliers presently interpret the need for adaptation in this part of the world and, also, how consumers react to their decisions is now an imperative.

Moreover, this present project is, as far as the researcher is aware, the first to address such issues in the Libyan market and, accordingly, its key value is in the area of context. The homogenous *culture* and the application of developing Western-style *economies* across most Arabic speaking countries (e.g., Tuncalp, 1988; Souiden, 2002; Assad, 2007) make Libya, despite the potential for Arab insularity[*], a representative country for this nation. Therefore, this research, through developing a complex model of

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[*] Most of the current borders of the Arab World (between Arabic countries) were drawn by European imperial powers during the 19th and early 20th century (e.g., Sykes–Picot Agreement in 1916).

consumer buying behaviour, will facilitate the comparative understanding of Libyan/Arab consumers' buying behaviour toward the foreign marketing.

1.8. Thesis Structure

The report is divided into nine chapters. The following has been formulated as the chapter plan.

The first chapter is an introduction which consists of the research background, the research problem and questions, research context, methodology and thesis structure.

In chapter two, Marketing Function and Marketing Programme, the current standing of an old and ongoing debate about the Marketing Mix was discussed. Furthermore, the chapter concludes by naming the appropriate Marketing Mix as structure for investigating the consumers' response toward the international marketing programmes.

In chapter three, Consumer Behaviour; the Key Task of Marketing, an overview on the studying consumer behaviour as a central topic in marketing and the different models of consumer behaviour are discussed through reviewing the relevant literature. Furthermore, the chapter previews the cultural differences in consumer behaviour and its importance for marketing considerations across countries.

In chapter four, the standardisation debate in global marketing, an overview on the consumer behaviour across national borders and its relations with the decisions of the global marketing programme is discussed. Furthermore, the debate of standardisation versus adaptation through historical overview, and a review of the advantages and disadvantages of each perspective are addressed. Further, the chapter previews potential factors which may affect the degree of standardisation.

In chapter five, Conceptual framework, using the relevant literature, which was discussed in the previous three chapters, the overall conceptual framework of this research is identified. This framework, which is a combination of consumer behaviour and influences, was depicted considering the standardisation degree of marketing programme.

In chapter six, Research Methodology, the research design formulation is previewed and the justifications of the usage of quantitative methods are provided. Then, the measurements and scales development process is illustrated. Further, the sampling, fieldwork reflections and the data preparation are presented.

In chapter seven, Data Analysis and Results, the data analysis process and procedures are discussed in the first part. The second part identifies the actual marketing practices in Libyan market and, then, the potential factors in the degree of standardisation are examined. The consumers' buying behaviour toward foreign marketing and their behavioural aspects are analysed and presented in the third part. In the fourth one, the relationships between research variables are evaluated within the research framework.

In chapter eight, Discussion, findings from each research phase (manager interviews and consumer survey) are summarised and discussed within the research questions context. The overall model of research finding which illustrates the key relationships between constructs is presented.

In the ultimate chapter, Conclusion, the major conclusions about the research problem are underlined. Then, the methodological contribution and managerial implications of this research are followed by directions for further research and recommendations for doing research in an Arabic context.

2. CHAPTER 2 LITERATURE REVIEW: THE FRAMEWORK OF MARKETING PROGRAMME

Marketing boasts a rich array of concepts and tools (Kotler 2003:8)

2.1. Introduction

The business environment has passed, rapidly, through several developing changes (Ohmae, 1989; Kotler, 1999), which have resulted in significant shifts, transfers and modifications in management. One of the most important changes might be the consumer now is considered as a determinant of what a business is. Marketers realise that to effectively generate the demand, customer should replace product, and this has raised the big philosophy of today's marketing; which is *customer is boss* (CIB) (Kotler *et al.,* 2010). Clearly, it is the customer *alone* whose willingness to pay for goods or services, so that what the customer buys has been the decisive factor for keeping businesses in existence (Drucker, 1999).

Undoubtedly, the marketing function has achieved a high importance among the other major functions of organisation, after it has evolved through many stages (Homburg *et al.,* 1999; Brady and Palmer, 2004; Kotler *et al.,* 2010). These stages have witnessed the development of marketing topic from its first appearance in the first part of the twentieth century in the USA, to the modern market concept today (Kotler, 2005). Similarly, the marketing activities that can influence the buyer have passed through the evolution levels over recent decades (Coviello *et al.,* 2002).

The Marketing Mix has been prone to suggestions and modifications from many marketing scholars and researchers. Although the ongoing debate surrounding the Marketing Mix as a marketing management tool, empirical studies of what the key marketing variables are (Grönroos, 1994) and how they contribute to the marketing success (Constantinides, 2006) have been neglected.. However, there is wide acceptance of the Marketing Mix among the marketers who identify it as the controllable parameters likely to influence the consumer buying process and decisions (Kotler, 2003; Brassington and Pettitt, 2003).

This chapter provides an overview on the current standing of debate about the elements of Marketing Mix via reviewing the relevant literature. Furthermore, the chapter concludes the appropriate elements structure of the Marketing Mix in order to investigate the consumers' response toward the international marketing programmes.

2.2. An Overview of the Marketing Management Process

Over the years, marketing function has evolved through many stages relating to its role in the company. The function of marketing, recently, has taken a place as the integrative function where the consumer has become the controlling function of the company (Homburg *et al.,* 1999; Kotler 2003).This recent perspective of the marketing function, calls the discussion about the marketing concept in order to well-understand the marketing role in business and, then, toward customers. To start with, it is necessary to address the various definitions of the marketing. These definitions have emerged through different marketing eras, from the start of industrial revolution until beyond the information revolution (Jobber, 2007).

Marketing, as an activity, has been known from a long time ago. Particularly, since human beings started knowing the specialisation in business. However, marketing as a concept has appeared in subsequent era of specialisation. Marketing concept has passed through many stages from the earliest times of industrial revolution until present (Rudd and Morgan, 2003). In the early stages, the word of marketing was used for referring to the selling and distribution. Then, it was considered as one of major organisation's functions, before it has become a function of whole organisation (Kotler 2003; Jobber 2007).

Marketing has been defined from two perspectives; social and managerial. A social definition shows the role marketing plays in society. This implies that marketing can be used as an instrument for delivering a high standard of living. Kotler (2003: 15) has presented a definition that reflects the role of marketing in the society. He has stated that "marketing is a social process by which individuals and groups obtain what the need and want through creating, offering and freely exchanging products and services of value with others". Yet, this definition just shows one side of the coin. It does not reveal the required activities for marketing practice. However, this dimension is

included in the definition of marketing from the managerial perspective which is discussed below.

American Marketing Association (AMA, 2007) defines marketing as "an organisational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationship in way that benefits the organisation and its stockholders". This definition describes marketing as a managerial process. Clearly, a company needs an efficient management activity to implement marketing, effectively, in practice. In this context, marketers should set marketing goals for a company considering internal resources and market opportunities, plan and execute of activities to meet these goals and measure progress toward their achievement. These tasks represent the process of marketing management (Kotler 1999; Dibb *et al.,* 2006). With a more in-depth view, Kotler (1999) has illustrated that marketing management process consists of five basic steps as follows:

1. Research (R).
2. Segmentation, Targeting and Positioning (STP).
3. Marketing Mix (MM).
4. Implementation (I).
5. Control (C).

The steps above reflect the three levels of marketing thinking; that is, strategic marketing (STP), tactical marketing (MM) and administrative marketing (I and C). Each level is critical for the success in marketing. These steps come after the primary concerned with the provision of information about markets (R) (Jobber, 2007).

The effective marketing starts with efficient market research. For this research to be useful, it must reveal different segments from consumers who have different needs and desires. Marketers need to target the segments that have opportunities for growth and that the company could satisfy in a superior way. Then, the company will have to position its offerings, in each target segment, so that target consumers could appreciate how the company's offering differ from competitors' offers. After developing the tactical marketing mix, the company should implement it and use control measures to monitor and evaluate results. The feedback should be used for improving both marketing strategy and tactics (Kotler 1999; Dibb *et al.,* 2006).

In applying this model on the global marketing arena, it can be realised that the global marketers may have concern for a strategic marketing stage (STP) more than the tactical (MM) and administrative (I and C) marketing. Therefore, on a strategic level, general marketing policies may be considered, but when it comes to operative and tactical levels, specific marketing activities have to be addressed and considered. In this context, some researchers (Michell *et al.,* 1998) debated that, in the middle of road between standardisation and adaptation strategy, marketers standardise the strategic elements of marketing programme and localise the technical ones. This is because although a company can standardise the strategic marketing elements, this does not imply that the tactical marketing ones must be standardised (advertising; Melewar and Vemmervik, 2004). This idea can also explain the term of *think globally and act locally*, where *think* refers to strategic marketing, while *act* refer to the tactical and administrative marketing (Svensson, 2002)

The question that emerges here is, in which marketing level, from the three above, should marketers be more aware. In other words: which level is more exposed to marketing failure? However, it is not easy to answer, as a company must be good in the three levels and has a consistent performance to achieve its marketing goals. Also, in each level a company would face different threats that must be decreased, or even avoided.

In some cases, a company can be successful in strategic and tactical marketing, but it fails in the administrative marketing (Kotler, 1999). However, some marketing literature showed that in the USA, 75% of new products, services and businesses fail in spite of all efforts in market research, product development and commercial lunch (Hall, 2001). Moreover, a study of 150 senior marketers in UK showed that marketers are good at creating value for customers, but poor at capturing the full value of this back to the business. They are good at starting projects, but less successful at managing them with focus and sustained effectiveness (PA Consulting Group 2002a, cited in Rudd and Morgan 2003, p.165).

These failures can be ascribed to a failure in the tactical marketing, because it is marketing departments who handle the tactics mix using a group of marketers, strategies, financial types and operational people (Kotler, 2004). Some marketing departments reduce the tactic marketing mix to one or two functions; selling and

promotion. There are many reasons beyond this reduction, such as the factors related to philosophy of management and the nature of industry. However, the most important affecting factor might be the uncertainty toward determining which mix is an appropriate or even *ideal* mix for their marketing activity which has attracted many researchers to debate (e.g., Reid, 1980; Waterschoot and Bulte, 1992; Grönroos, 1993; Rafiq and Ahmed, 1995; Peattie and Peters, 1997; Wise and Sirohi, 2005; Constantinides, 2006; Zineldin and Philipson, 2007).

2.3. The Elements of Marketing Programme

This current research investigates the effect of marketing programmes on consumer buying behaviour and to what extent do the foreign companies in Libya adopt standardisation/adaptation perspective in their marking programmes implementation. As discussed above, this investigation lies in the tactical marketing stage (MM). Therefore, this section focuses on the tactical marketing represented by marketing programmes. Marketing programme is defined as "the numerous decisions on the mix of tools to use" (Kotler, 2003:15). These decisions are a function in many marketing variables. The American Marketing Association (AMA, 2007) has defined the decision variables in marketing as "the variables corresponding to the major marketing functions that influence revenue and profit. They are summarised in the well-known four P's". Here, it can be realised that the four P's (4P's) are considered as the key variables in the decision making process in marketing. This is because most of the other elements of marketing mix (Ps), which have been suggested in marketing literature, are subsumed under these key variables (Kotler, 2005). Also, these key functions (4P's) are distinguished by controllability and manageability and, therefore, the company uses them to pursue the desired level of sales in the target market. The four Ps have considered a common classification of these factors in most cases (Kotler, 2003; Constantinides, 2006; Zineddin and Philipson, 2007; AMA, 2007).

2.3.1. The 4Ps: Dominant Marketing Management Paradigm?

Generally, the Marketing Mix framework is one of the most important paradigms in marketing management that identifies market developments, environmental changes and trends. These factors are likely to affect the future of the mix as theoretical concept and, also, are the favourite management tool of marketing practitioners (Constantinides, 2006). Specifically, the four Ps of the marketing mix have become the universal marketing model, or even theory, and they have had a high impact on the practice of

marketing as well (Grönroos, 1994). However, there is a considerable debate in the marketing literature about whether the four Ps – Product, Price, Promotion and Place (distribution) – can be considered as adequate functions for representing marketing activity (e.g., Waterschoot and Bulte, 1992; Grönroos, 1994; Rafiq and Ahmed, 1995; Peattie and Peters, 1997; Kotler, 2005; Constantinides, 2006; Zineddin and Philipson, 2007). In this context, the taxonomical issues in marketing are considered not only extremely important, but also extremely difficult. Furthermore, as the concept of the marketing mix is one of the basic ideas of marketing, this makes it a critical issue to classify (Waterschoot and Bulte, 1992).

As the Marketing Mix is considered the useful most framework for marketing efforts toward consumers, marketers have to take into account – in designing the mix – the significant cultural, social, demographic, political and economic influences, as well as the rapid technological advances which have, recently, transformed consumer behaviour (Armstrong and Kotler, 2007). Many researchers share the view that the past twenty years consumer has become different; demanding, individualistic, involved, independent, better informed and more critical (Levitt, 1983; Jain, 1989; Dawar *et al.,* 1996; Lindridge and Dibb, 2003). These changes have intensified the pressure on marketers to switch from mass marketing approaches towards methods allowing personalisation, interaction and direct dialog with the consumer (Constantinides, 2006). Consequently, under such circumstances, the question that remains is whether the mix will survive as the primary marketing tool, or whether it may require further research and debate.

As mentioned above, although the marketing mix concept is one of the key concepts of marketing theory, its common framework (McCarthy's 4Ps in 1960's) has been, increasingly, under attack. This is because of the idea that different marketing contexts need different marketing mixes. However, most criticisms have come from the services marketing area (context), which suggest an extended marketing mix with some additional elements to the four Ps (Rafiq and Ahmed, 1995). Here, in order to properly the debate about the usefulness of the four Ps, an initial historical overview is necessary.

The roots of the four Ps extend back to the notion of Neil Borden in the early 1960's. He determined a set of 12 elements. Namely; (1) product planning (2) pricing (3) branding (4) channels of distribution (5) personal selling (6) advertising (7) promotions

(8) packaging (9) display (10) servicing (11) physical handling and (12) fact finding and analysis. These elements are the first to have been described by the term "marketing mix", which was suggested to him by Culliton's (1948) description of a business executive as "mixer of ingredients" (Rafiq and Ahmed, 1995; Zineldin and Philipson, 2007).

Borden did not consider the elements to be inviolate and suggested that other different lists may also be appropriate. Some researcher have suggested that marketing variables should be divided into two parts; the offering (product, packaging, brand, price and service) and methods and tools – distribution channels, personal selling, advertising, sales promotion and publicity (Rafiq and Ahmed, 1995; Constantinides, 2006). However, this suggestion can be considered as a derivation from the four Ps. In the mid 1960's, Jerry McCarthy introduced the scheme which is the most popular marketing mix framework today. He regrouped and reduced Borden's 12 elements to create the now popular four Ps (Product, Price, Promotion and Place). Each of these categories consists of a mix of elements in itself (Waterschoot and Bulte, 1992; Kotler, 2005; Constantinides, 2006; Zineldin and Philipson, 2007).

Latterly, other researchers have indicated that the four Ps mix is simplistic and misleading and, therefore, it needs to be extended to include additional factors. Also, some critics have reported that the four Ps may omit certain important activities and so more factors were introduced to join the traditional four Ps. For example, People, Process and Physical evidence were added by Boom and Bitner in 1981. Also, Public opinion and Political power were added by Philip Kotler in 1984 (Kotler *et al*, 2010). However, according to Kotler, (2005) many marketing activities that might appear to be left out of the marketing mix are subsumed under one P of the four Ps. Some authors have proposed adding other Ps to the marketing mix; such as Packing, Personal selling, Passion, Politics and Public opinion. However, Packing is actually subsumed under Product or Promotion, and Personal selling and Passion are subsumed under Promotion. Regarding to the Politics and Public opinion, they are out of the taxonomy of the marketing mix, because the philosophy of the marketing mix – as a marketing stimuli – requires that all the involved elements must be controllable and manageable by the company (Kotler, 2005; Armstrong and Kotler, 2007; Jobber, 2007).

The embrace for the marketing mix, especially from marketing executives and practitioners, can be ascribed to their need for marketing tools that can be controllable and manageable. However, in the goods marketing framework the product, promotion and pricing of the product is more controlled by manufacturer than the distribution (Rafiq and Ahmed, 1995), because, in some cases, marketers tend to delegate the distribution activities to channel intermediaries. As these intermediaries facilitate the distribution to ultimate consumer, some products' success is dependent on their efficiency (Kotler, 2003; Dibb *et al.,* 2006). However, consumers, in some cases (e.g., electronics products), have concerns for brand name, price and physical appearance of products more than the retailer reputation in their purchase criteria (Dawar and Parker, 1994).

2.3.2. The Marketing Mix: *What are the Most Important Tools?*

An important criticism holding that the marketing mix just represents a seller's point of view toward the market, not consumer's view. This idea has emerged as a response for the circumstances change which relates to era of online catalogues, credit cards and mobile phones in every room. Furthermore, the world has been transformed by the Internet, wireless and other information and networking technologies (Mootee, 2004). In responding for this situation, the four Ps can be converted to the 4Cs. This converted mix encourages marketers to study consumer wants and needs in place of product (Customer value), forget price for understanding the consumer's cost to satisfy that want (Cost), think about convenience to buy, not place (Convenience) and the matter is not how to promote, rather, focus on communication with consumer (Communication) (Lauterborn, 1990). Consequently, it can be considered that this conversion provides significant insights for the research which aims to explore the consumers' response toward the marketing activates. In this context, in spite of the 4Cs model emerged in 1990's, it has been – and still is – an acceptable framework in the consumer research (Armstrong and Kotler, 2008).

The view put forward above shows that the marketing mix has been criticised. However, the four Ps are still considered to be a memorable and practical framework for marketing decision-making (Dibb *et al.,* 2006). Meanwhile, it is true to say that this paradigm is seems beginning to lose its position for new approaches have been emerging in marketing research. The globalisation of business and the evolving

recognition of the importance of customer retention and market economies among other trends, reinforce the change in mainstream marketing (Grönroos, 1994).

As previously mentioned, most important criticisms to the four Ps have come from the service marketing context. Vargo and Lusch (2004) have suggested that the services marketing model should now be considered the dominate model. Furthermore, it should be applied to the services and goods. They have argued that marketing inherited a model of exchanging from economic, which focused on tangible resources and transactions. Accordingly, they believe that a new perspective has emerged and revised logic to focus on intangible resources. The authors have explored this evolving logic and corresponding shift in perspective for marketing scholars, practitioners and educators through reviewing the marketing literature. For supporting their claim, the authors have reckoned the need for the new logic to the idea that the goods are becoming vehicle for the services provision. However, this allied with the fact that consumers are now increasingly interested in services elements of their goods purchases. Consequently, the 7P's mix of service (the four Ps + People, Process and Physical) might be considered the default marketing mix for all organisational offerings, irrespective of whether they are goods or services.

In supporting Vargo and Lusch' (2004) suggestion, Grönroos (2006) compared a service logic to a goods logic. He concluded that service logic fits best the context of most goods producing businesses today, particularly, in the situation of viewing marketing and consumption from a value creation perspective. Therefore, service-based marketing concepts and models fit such situations, which are better than using models based on goods logic. This conclusion is similar to the one communicated by the service-dominant logic presented by Vargo and Lusch (2004). Although this study support the notion that the service-based marketing should be taken account as the paradigm of marketing practice, the author referred that in the case of marketing physical product, applying goods logic, only, in marketing may very well work, because customers do not consume and evaluate goods as services (Wilson, 1991). For example, the influence of service provider on service quality (e.g., hospitality in a hotel) is greater than the seller's influence on goods' quality (e.g. TV in a store). Also, the consumer can return unsatisfied goods, but he/she cannot do this with services. In addition, when developing and applying models based on service logic, it is important to remember that

31

one must not neglect the power of concepts that are developed as part of goods-based models.

In the context of the argument about the dominion of the service logic versus the goods logic in marketing, some literature has dealt differently with this argument. In this context, Levitt (1981) categorised firms' offerings in terms of their inclusion of intangible and tangible elements; there are firms that (1) offer pure service (e.g., banks) (2) offer service with supporting goods (e.g., accommodation and meals in hotels) (3) offer goods with supporting services (e.g., instalment and repairing services of electronic goods) (4) offer pure goods (e.g., shampoo). Accordingly, he debated that because firms' offerings are different, focus should be on asking what is the appropriate and effective approach for a firm's offering, rather than asking which logic should dominate marketing practices. Further, Aubrey Wilson (1991) has argued that although services are frequently called service products, they should not be marketed in the same way as products. Moreover, he has considered that the reckoning of marketing services as intangible goods is myth. The service marketing needs a different and more sensitive approach for services' features. However, it has been debated that the services like banking, airlines and retailing services are products too and are called service products (Armstrong and Kotler, 2008).

Clearly, there is a common agreement in the marketing literature that the goods marketing techniques require modifications to be appropriate for marketing services. However, all authors have debated that in order to evaluate whether the service prevision (7Ps) or the four Ps marketing mix are the dominating model, and to which extent, the field research is needed in order to provide practical findings, which might be more significant in this context.

Empirically, Rafiq and Ahmed (1995) reported that there is a high degree of dissatisfaction with the 4Ps framework among European academics. This is as a result of field study conducting a survey on professors, assistant professors and research students in UK and Denmark. However, most of this dissatisfaction was from the industrial and services marketing perspective. Conversely, the areas where the four Ps are thought to be most useful are introductory marketing and consumer marketing. Additionally, the 4Ps framework was also thought to be most relevant for consumer marketing. Here, it can be realised that respondents' background (the marketing

perspective) influenced their considerations toward marketing paradigm, as the traditional marketing mix has emerged in consumer marketing (Kotler, 2003), whereas the 7Ps emerged in service (Vargo and Lusch, 2004) and the relationship marketing in the industrial marketing (Grönroos, 1994). As these results were produced from empirical research on marketing academics, the question that appears here is that, what are the actual marketing practices from marketing practitioners' point of view?

Coviello, Brodie, Danaher and Johnston (2002) studied the marketing managers' view toward different marketing paradigms. They investigated how different types of firms relate to their markets through an examination of their actual marketing practice, including both *transactional* marketing (the Marketing Mix to attract and satisfy consumers) and *relational* marketing (the retention of consumers and relationships management) which the firms apply in their markets. The study of 308 firms comprising five groups of managers in USA, Canada, Finland, Sweden and New Zeeland, showed that the consumer goods' firms are more transactional marketing – which reflects, mainly, the traditional marketing mix – than the other types of the firms under investigation. Furthermore, contemporary marketing practices are dominated by the practice of transaction and the other marketing approaches are implemented to a lesser degree.

The researchers have ascribed the firms' tendency to transactional marketing practice to the lack of capability for applying relational marketing approach. This approach requires some tasks, such as building an interpersonal and face-to-face communication (between customers and specialists marketers in customer services) and loyalty. Moreover, the dominion of transactional marketing can be also attributed to the fact that the transactional approach is more measurable than the other ones. However, getting better measures, especially in terms of finance, for the impact of marketing programmes is the one of most significant challenges that marketers face today (Kotler, 2005).

In replicating Coviello, Brodie, Danaher and Johnston's (2002) research, Brady and Palmer (2004) explored contemporary marketing practice in a context that integrates transactional and relational marketing in order to respond more directly to the issues associated with theory, practice and implementation. They conducted a survey on 39 managers at middle-management level from USA, Canada, Finland, Sweden and New Zeeland. Their findings supported the diversity of marketing practice, but also showed a

continuing focus on the traditional practice of attracting new customers. Moreover, the investigation provided evidence that the dominance of the marketing mix concept still prevails with the focus of resources on product, promotion, prices and distribution.

Although the empirical evidences on the exact role and contribution of the marketing mix to the success of commercial organisations is so limited, several studies confirm that the four Ps mix is, indeed, the trusted conceptual platform of practitioners dealing with tactical/operational marketing issues (Constantinides, 2006). An important support for this came from the findings of research conducted by Zineldin and Philipson (2007). It included 20 companies via semi-structured, in-depth interviews in Sweden, Finland and Denmark. The respondents were asked to rank the statements related to their own implementations of the four Ps and new marketing approaches (relationship focus). The results showed that no company used the new approach for marketing practice, such as the relationship marketing approach. The studied companies fell into two categories; companies that merely utilised the marketing concept of the four Ps and the others that were blending a relationship and transactional marketing mix. Similarly, a survey of senior marketers in UK concluded that most marketing practitioners focus on the traditional domains, such as understand what customers want and give it to them (PA Consulting Group, 2002a, 2002b, cited in Rudd and Morgan, 2003:165).

Furthermore, in the context of the argument on marketing mix, a critique of the 4Ps is that this mix leads to the performing of mass marketing efforts which have often been directed and controlled. Here, technology provides an opportunity for micromarketing and better control of marketing relationships. Therefore, Interactive Marketing appears as another marketing paradigm which is a more efficient alternative. This marketing approach is reliant on the technology systems in the marketing process. Further, it is about more, and more two-way, interaction between producers and consumers. Increasingly, there will be opportunities for consumers to drive the exchange process, as they find information electronically on companies, products which interest them and initiate contact (Peattie and Peters, 1997).

However, the effectiveness of Interactive Marketing approach, in *consumer* markets, depends on the availability of technology systems or computer networks that allow marketers to link directly into customers. It is necessary to mention here that in other contexts (i.e., business-to-business and service marketing), this approach can be

implemented with less dependency on such facilities. Also, these technological requirements of this approach might embody barriers to implement it across countries (Melewar and Stead, 2002). However, its dependency in consumer markets makes the success of this approach cross-world is moot; especially in the international marketing operations. International companies want their marketing instruments to be applicable even in the countries that have not an adequate infrastructure for such this marketing system. Marketers concern with the infrastructural variability as one of the market characteristic cross-countries, which affects their marketing programmes. For instance, in the promotional activities, a company finds itself, with a lacking infrastructure, compelled to create its own channels of communication where no mass media exist to cater to large swathes of the market (Dawar and Chattopadhyay, 2000).

Overall, it seems clear from the discussion above that 4Ps, 7Ps, relationship marketing and interactive marketing are different marketing approaches. Each one has pros and cons. Also, the feasibility of adoption of each one depends on some determinants (e.g., the nature of industry, market and consumer), as any of them is a viable option for all companies. Further, each paradigm, as mentioned earlier, has emerged in different marketing disciplines and is linked with it. For example, 7Ps has emerged in service (Vargo and Lusch, 2004), the relationship marketing in the industrial marketing (Grönroos, 1994) and the interactive marketing has emerged in which new communications technologies allow marketers link directly into customers (Peattie and Peters, 1997).

From the management point of view, it might be argued that the four Ps may have been helpful at one time, at least for marketers of consumer packaged goods. Furthermore, the use of various means of competition became more organised. Consequently, the four Ps might be never applicable to all markets, and to all types of marketing situations (Grönroos, 1994). However, the majority of marketing practitioners consider the Marketing Mix as the toolkit of transaction marketing for operational marketing planning. Moreover, market leaders trust the formal operational marketing planning based on 4Ps paradigm much more than the new emerging marketing approaches, such as Relationship Marketing which focuses on creating client relationships from the start satisfy and retain existing customers (Rafiq and Ahmed, 1995; Constantinides, 2006; Zineldin and Philipson, 2007).

In conclusion, the question remains: how we can determine whether the four Ps adequately represent marketing activity? The answer depends on many various factors surrounding the marketing environment. Researchers as well as managers should be more able to determine and judge marketing instruments on their objectives, interactions, and restrictions (Waterschoot and Bulte, 1992). However, the argument about this notion does not mean that the Ps themselves, and other concepts of the managerial approach such as market segmentation and, indeed, the marketing concept would be less valuable than before (Grönroos, 1994).

Kotler (1999, 2005) has contributed significantly to this debate about the four Ps. He has referred that marketing scholars can always add more elements (Ps) to the list of the marketing mix. However, the question is not *'what tools constitute the marketing mix?'*, but rather *'what tools are becoming more important in the marketing mix?'* In other words, marketers should focus on the critical element(s) in their marketing mix no matter how many tools that the marketing mix is consisted of (e.g. 4Ps, 7Ps or 9Ps). The role of a good marketing mix is to be more helpful in designing marketing strategy. Marketers see the four Ps as a filing cabinet of tools that could guide their marketing planning.

Overall, the essence of the marketing mix concept is the idea of a set of controllable and manageable variables at the administration of marketing management which can be used to influence on consumer (e.g., Shapiro, 1985; Rafiq and Ahmed, 1995; Zineldin and Philipson, 2007). Moreover, the marketing mix was originally developed as a suitable concept for marketing of consumer products (Constantinides, 2006). Although this concept have been prone to criticisms in terms of marketing logic (Vargo and Lusch, 2004; Grönroos, 2006), some research has provided evidence that the dominion of the marketing mix concept still prevails with the focus on the four Ps, especially for consumer market products (Coviello *et al.,* 2002; Brady and Palmer, 2004). However, under the argument above, the core idea in marketing remains that the innovative response to consumer behaviour, no matter whether transactional, relational or based-service marketing approach was adopted. Moreover, a company can adopt more than one approach for its marketing practice. But, in the strategic marketing management, using a new approach together with the traditional four Ps; requires vision and creativity as well as leadership and discipline (Mootee, 2004). Consequently, taking into account that the purposes of the current research is to investigate the influence of marketing

programme on consumer buying behaviour within home appliances context in a developing market, the framework of the four Ps can be considered, confidently, as a suitable paradigm for representing such marketing programmes in the consumer products markets.

2.4. Conclusion

As demonstrated in Chapter 1, this current research investigates the influence of international marketing programmes on buying behaviour of Libyan consumers, in the home appliances industry. Further, it aims to determine the degree of standardisation for the international marketing programmes in Libya. This chapter discusses different marketing management paradigms, in order to identify which one of these approaches is appropriate to be used as a framework to study consumers' responses toward the international marketing activities in this current research.

Marketing has attracted researchers' attention in the business world during the past six decades. Marketing concepts evolved in different eras of human lives. For example, marketing focus was, generally, on product management in 1950s and 1960s, on customer management in 1970s and 1980s and on brand management in 1990s and 2000s (Kotler *et al.,* 2010). Each era has produced different marketing approaches and paradigms. This chapter provides an overview of the debate on some marketing paradigms (i.e., 4Ps, 7Ps, Relationship Marketing and Interactive Marketing). Marketing literature (e.g., Grönroos, 1994; Peattie and Peters, 1997; Vargo and Lusch, 2004; Constantinides, 2006; Zineldin and Philipson, 2007) has showed that each of these approaches has advantages and disadvantages. Also, the context of marketing implementation (e.g., nature of industry, market and customers) plays a crucial role in the feasibility of the adopted paradigm.

In the particular case of this current research, the traditional marketing mix (4Ps) appears as an appropriate framework to adopt in studying the actual foreign marketing practices, and their influence on consumer buying behaviour. The reasons beyond this selection are that, firstly, this research investigates marketing activities of foreign new entrants in an emerging market in a developing country (Libya). Secondly, this research aims to determine the standardisation degree of foreign marketing programmes in the level of implementations. Accordingly, by taking into account that the consumers of emerging/developing markets have less experience with marketing compared with those

of developed markets, using the traditional 4Ps as a framework of investigation satisfies the context of this current research. Moreover, as mentioned earlier, the research aims to contribute to the debate between standardisation and adaptation and, therefore, its findings must be comparable with other studies. The marketing research that has investigated this issue in the Arab World (e.g., Michella et al., 1998; Souiden, 2000, 2002), used the traditional marketing mix as a framework in their analysis, so that adopting the similar framework will facilitate the understanding of foreign marketing activities in the Arab World context.

In addition, the selection of the four Ps in the current research can be justified by the consideration that for the controllability and manageability of the four Ps, this mix is suitable for representing the international marketing programmes, which the current research investigates (e.g., Samiee and Roth, 1992; Szymanski *et al.,* 1993; Dawar *et al.,* 1997; Shaw, 1994; Ozsomera and Simonin, 2004; Siraliova and Angelis, 2006; Viswanathan and Dickson, 2007). Also, some of international companies in the home appliances industry, which the current research investigates in, adopt the four Ps in their marketing strategies across world (Ronkainen and Menezes, 1996; LG's Growth Strategies in India, 2006).

However, the investigation of the current research is extended to some issues that cannot be studied via the four Ps. Some of these issues are related to the influences on buying behaviour, such as the ethno-national identity, the country of image and reliance on producer information (Lundstrom *et al.,* 1998). The others are related to the business environment such as competition, headquarters-subsidiary relationship and mode-of-entry (Jain, 1989). Accordingly, the research endeavours to sufficiently cover the use of the four Ps, which provides comparable findings on one hand, and investigation of the various factors which are extended to the traditional marketing mix (e.g., those relating the buyer behaviour and international marketing programmes), on the other.

3. CHAPTER 3 LITERATURE REVIEW: CONSUMER BUYING BEHAVIOUR TOWARD THE MARKETING PROGRAMME

The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself (Drucker 1999:59)

3.1. Introduction

The increasing concern with research on consumer buying behaviour started when the modern marketing concept emerged. This concept is built on the idea that the producer should see the product from the consumer's point of view (Drucker, 2001). Accordingly, instead of offering the product which they think that the consumer needs, the producers should explore what the consumer wants and offer that to him/her (Kotler, 2003). In the future, the insights of marketing will be relied on an increasing adoption of this view. Consumer power will grow and marketing stimuli will be under pressure because of the emergence of demanding consumers who will be harder to satisfy, and so less loyal (Moynagh and Worsley, 2002).

Consumers have adopted a different and more complicated perspective of themselves in relation to wider world (Howard and Mason, 2001). Hence, marketers have to fight to attract consumers by using all their tools, with speed and efficiency. According to David and Bridger (2001), the challenges facing companies regarding the new consumer are centred around the fact that (1) people do not pay attention to advertisements as (2) a consumer today is exposed to mass communications, he/she will not accept any untrue information (3) no more local monopolies, because of opening borders (4) no more cost-oriented, but consumer-oriented. Under these situations the promotion activity becomes not enough and companies have to do great effort in the all marketing activities.

Marketers consider the consumer behaviour as reactions toward their activities. Therefore, they seek to be acquainted about the manner of consumer's response for marketing. Furthermore, they attempt to study the consumer characteristics and their influences on consumer consideration of marketing programmes. One of the most important competitive advantages can be achieved through the knowledge of company

about how consumer considers its product's features, price and promotional activities (Armstrong and Kotler, 2008). The consumer is influenced by cultural, social, psychological and personal factors. They are not controllable, but they can be managed (e.g., Kotler, 2003; Peter and Olson, 2008). Thus, the key idea to well-manage these influences is the good understanding of the factors structure and the extent of their effects on buying behaviour. Clearly, this can help companies to produce an effective marketing programme.

However, as these effecting factors are subject to change (Pressey and Selassie, 2003), they represent a critical challenge to marketers. In this context, the cultural factors might be the most complicated ones, as cultural values have dual integrated influences; internal in the consumer soul (e.g., psychological and personal factors), and as an external factor (e.g., the social factors) (Mooij, 2003b). Moreover, the study of culture is a challenging undertaking, because its primary focus is on the broadest context of social behaviour (Schiffman and Kanuk, 2000).

Besides the cultural influences, there are other factors which have a broad and significant impact on consumers across societies. The marketing literature has indicated that globalisation represents one of the strongest influences on consumers across the world (Levitt, 1983; Wolfe, 1998; Kotler, 2003; Tedlow and Rawi, 2004). One aspect of globalisation is the convergence of income, media and technology, which in turn is expected to lead to homogeneous consumer behaviour (Ohmae, 1989; Bird and Steven, 2003). However, this convergence thesis is being increasingly questioned (Mooij 2003a). Furthermore, there is no consistent theoretical perspective that confirms the impact of cultural forces on purchasing behaviour and, consequently, identifying the culturally related differences in buyer behaviour is a primary concern for both international marketers and researchers (Slowikowski *et al.,* 1997). However, although it is so difficult to understand the consumer behaviour in a prediction way (Wolf, 1998), marketing researchers are still trying to answer the same question that has emerged since half a century ago; why consumers buy.

Generally, marketers have tended to focus on product attributes, as they are easier to contemplate in measurable terms than human behaviour (Kotler, 2003; Jobber, 2007). The study of consumer buying behaviour is the start point of marketing management process (see section.2.3, Chapter.2). The marketing task starts with exploring

consumer's needs and wants, then, working on creating and offering products that satisfy them. The understanding of consumer behaviour is not an easy task, because it relates, and involves, with many factors and influences which make it very complicated. Hence, it is necessary to mention that the current research does not aim to provide an understanding and explanation for consumer buying behaviour. Rather, it focuses on specific factors and determines their statistical effect on certain buying behaviour characteristics.

This chapter provides an overview on the consumer behaviour issues as a central topic in marketing via reviewing the relevant literature. Furthermore, it discusses the various models of consumer behaviour and endeavours to exhibit the role of marketing activities in the buying process. Moreover, the chapter previews the cultural differences in consumer behaviour and its importance for marketing considerations across countries. In conclusion, the chapter addresses an overall model of consumer behaviour and how its influences interact between each other.

3.2. Consumer Behaviour: the Central Topic in Marketing Management

In one of the largest economies in the world (USA), consumer spending accounts for two-thirds of nation's economy (Blackwell *et al.,* 2006). Also, consumers around the world annually consume an estimated 65 trillion dollars worth of goods and services (The World Fact Book, 2007). This importance has caused the study of consumer behaviour to gain vast popularity around the world and, accordingly, makes understanding consumer behaviour a vital issue in marketing. This issue has become increasingly important, because consumers are changing and income distribution is more uneven in most nations (Jobber, 2007). Moreover, the force of globalisation, mass media and technology affect consumers across the world, which drive their behaviour to be more changeable and complicated (Kotler, 1999). Hence, the understanding of consumer behaviour represents an important challenge to marketers. Also, they have to shift their organisation's perspective from being product-centred to market and consumer-centred (Levitt, 1975; Kotler, 1999; Stock, 2002).

Marketers want to use marketing in aiming to affect the brand choice and purchase. They realise that consumer's considerations toward marketing activities play a critical role in marketing success. For example, consumers' attitudes toward advertising would

impact how a marketer would communicate with consumers, consumers' brand loyalty and/or price consciousness, which would relate to the pricing considerations of a marketer. Therefore, marketers must understand the affecting relationships between the aspects of consumer behaviour and their marketing stimuli.

Marketers attempt to focus on the consumer behaviour through studying the buying motivations. They rely on the information about these motivations in designing their marketing programmes. Accordingly, what marketers endeavour to do is arouse the motivations, and drive them to buying a certain brand. This task, however, is not as easy as described. Buying behaviour is different from one consumer to the other and, also, it is influenced by the change of various surroundings characteristics (Kotler, 2003; Blackwell *et al.,* 2006; Jobber, 2007). Therefore, the first step in understanding of consumer behaviour, influences and its interrelationships is discussion of the consumer behaviour's definitions.

Consumer buying behaviour has many definitions. The widely used definition of consumer behaviour is that presented by the American Marketing Association (AMA) (2007). They have defined it as "the dynamic interaction of affect and cognition, behaviour and the environment by which human beings conduct the exchange aspects of their lives". It can be noted, here, that; a) the *cognition* includes any construct or process that refers to memory structures or self-construal, b) *Affect* refers to the attitude/intention formation process and its outcomes, such as attitudes toward an entity, either material (e.g. products) or abstract (e.g. an ethnic group) and c) *Behaviour* includes individual choices and patterns, such as media usage or shopping (Luna and Gupta, 2001). It can be realised that this definition describes the consumer behaviour as a consumption process that involves exchanges and has interactive and influencing interrelations with the environment's factors. This dynamic nature provides important insights for developing marketing programmes. It contributes to explaining why marketing strategies that work in one time or one market may fail at other times or in other markets (Peter and Olson, 2008).

Generally, from reviewing the consumer behaviour literature, it can be concluded that the designing of marketing activities is subjected to the understanding of the behavioural process. Also, the identifying of the potential consumer is a determining factor in the targeting activity. Therefore, all the dimensions of behavioural process,

dynamic nature and individuals (consumers) identification are important. However, marketers should be concerned with the surrounding influences of consumers. Consumers highly vary in their individual characteristics and preferences, which interact between each others and, consequently, impact on their choices among various products (Peter and Olson, 2008).

The marketing literature (e.g., Hawkins *et al.,* 1998; Kotler, 2003; Blackwell *et al.,* 2006; Jobber, 2007; Peter and Olson, 2008) has explained the array of factors that affect on consumer through various models of buying behaviour. Most of these models are involved in the similar streams; they are centred on the idea that the marketing stimuli and other environmental influences are converted into responses inside the consumer mind. Therefore, these models focus on the understanding of this process, depending on the analysis of the buyer characteristics, environmental influences and buyer's decisions process itself. Accordingly, the next sections of this chapter discuss these characteristics, influences and process, then address the appropriate model for the particular case of this current research design; the selected product category (home appliances), the research field context (Arabic speaking countries) and the research contribution.

Before going through in the discussion of buyer characteristics and behavioural aspects, it is necessary, here, to identify the reason behind the selection of these factors. In other words, justifying why have this set of factors been chosen to be investigated in the current research context. Consumer buying behaviour, broadly, interact with all facets of being a consumer, including environmental, social and cultural factors as well as marketing stimuli and so forth. It can be said that all aspects of consumption have been investigated by consumer researchers in different context and using different approaches (McCarty *et al.,* 2007). However, as this current research aims to determine whether or not the standardisation can be supported and whether the national culture is more or less relevant, the consumer issues that would be important to focus on are that those firms interested in marketing their products across countries and relate to how foreign companies would approach their marketing programmes in the different countries of interest.

The literature in marketing management contexts suggested that the most important behavioural aspects are those towards marketing stimuli such as preferences, risk taking, reliance on producer's information and response to advertising in order to understand

consumer buying decisions. These aspects provide useful explanations for consumer behaviour research (e.g., Dawar and Parker, 1994; Dawar *et al.,* 1997; Lundstrom *et al.,* 1998; McCarty *et al.,* 2007). So, the selection was in order to achieve the research contribution; developing model of buying behaviour of Libyan consumers toward the foreign marketing.

Overall, the factors that are discussed in this chapter have been chosen based on their non-hypothetical (theoretical) relationships with the key constructs of this research. They are; models of consumer buying behaviour, marketing programme (stimuli) and foreign marketing across countries (standardisation vs. adaptation).

3.3. Behavioural Aspects

For the purposes of this research, the most important aspects are those toward marketing stimuli. Marketers know that the behavioural aspects have an interactive influence with other environmental factors. Consumer research examines the behavioural aspects such as *preferences, shopping behaviour, risk taking, reliance on producer's information* and *response to advertising*, to understand consumer buying decisions. Also, such aspects give useful explanations for consumer behaviour, when they are correlated with individual characteristics (Dawar *et al.,* 1997).

3.3.1. Consumer Preferences

Market segment can be built up on consumer preferences. They are identified as how much consumers value the product's features and attributes (Kotler, 2003). Some studies showed that these preferences, such as country image, play a significant role in determining consumer attitudes, because consumers might value the country of manufacturer more than the price, reliability, brand name and other product's attributes (Knight, 1999). Here, as the country of origin reflects the way that consumers perceive other countries and their products, it is intertwined with culture and national context (Balabanis *et al.,* 2002). However, this consumer's preference varies from one nation to another.

It can be argued that, in normal circumstances, consumers should have a patriotic tendency to their domestic products. This is what was showed by the study on 1,954 Yugoslavian consumers, which aimed to compare consumer evaluations of various attributes of products of Slovenian versus domestic origin ones, and explored their effects on domestic purchasing behaviour (Vida and Dmtrovic, 2001). The findings

revealed that under normal supply/demand conditions in the market, consumers prefer domestic products, primarily due to their patriotic feelings. Also, the study showed that the consumers' evaluations are influenced by idiosyncrasies of socioeconomic conditions. Consequently, it is not only important how consumers perceive products of a specific country of origin per se, but how imported products are perceived relative to alternative offerings within the same product category.

On the contrary, existing empirical evidence, though limited, suggests that consumers in developing economies view products from developed countries more favourably than products from their own country (Ettenson, 1993). In supporting this, a study on more than 1,000 Nigerian consumers with selecting televisions and cars as a context, showed that the country-of-manufacture is significantly more important than price and other product's attributes in consumer preference. Also, the study revealed that Nigerian consumers have a negative image of the 'Made in Nigeria' label, rating it lower than labels from more economically developed countries (Okechuku and Onyemah, 1999).

However, the obsession of consumers in developing countries with foreign products could be ascribed to their experience with these products (ibidem). This experience maybe has been accumulated through pioneer brands in the past. For example, Libyan consumers (as a group) have long memories with *Made in USA*'s products which were dominant on the Libyan market and so they consider U.S. products are to be high-quality (US & FCS, 2006). The interesting point here is that as for political reasons, USA products stopped entering Libya in the early 1980's and have been just allowed to re-enter Libyan market in 2006 (Metz, 1987; The World Fact Book, 2007). This might indicate that the country image of some products could be built in consumer's mind indirectly (e. g., global media exposure). However, the fact that can be generalised is that the consumers in the developing economies view domestic products less favourably than products from more advanced countries (Ettenson, 1993; Okechuku and Onyemah, 1999).

3.3.2. Shopping Behaviour

Another behavioural aspect that attracts marketers' concern is shopping behaviour, which can be analysed by three critical factors; level of consumer satisfaction, number of trips to shop and amount spent (Davies *et al.,* 2001). Although this analysis of shopping behaviour includes consumer satisfaction, it is not dealt with depth in the

models of consumer behaviour. The study which adopts this analysis found the satisfaction of a shopper was linked with store atmosphere. However, this does not contribute to well-understanding of consumer behaviour, because the study of shopping behaviour has to be concerned with how consumer makes his/her choices in the store, not just concerned with the physical aspects (number of trips to the shop and amount spent).

However, the consumers can be categorised into two groups according to their shopping behaviour; loyal and non-loyal (bargainer) consumers (Weisbuch *et al.,* 2000). Clearly, many marketing researchers have discussed and, empirically, examined the brand loyalty via different views, within different contexts (e.g., Bloemer and De Ruyter, 1998; Cater and Cater, 2009; Ruiz Molina *et al.,* 2009; Yi Lin, 2010). However, in this research, the focus is on the consumer loyalty as just a pattern of consumer shopping behaviour. Nevertheless, a study on consumers from three European countries and USA showed that former consumers are not particularly brand-loyal (McCarty *et al.,* 2007). However, recently, shoppers tend to be motivated strongly by thrift and they search for a good bargain (Moynagh and Worsley, 2002). Consequently, the pricing issues have attracted more attention today, from both consumers and companies (Kotler and Caslione, 2009).

The study of shopping behaviour helps marketers to be acquainted with the influences on purchase decision, which are attitudes to others and unanticipated situational factors (Kotler, 2003; Chandran and Morwitz, 2005). These factors can intervene between the purchase intention and the purchase decision in the buying process. However, shopping behaviour and its influences are subjected to the product category. For example, in purchasing the shopping goods such as home appliances, the consumer makes an effort in comparing, seeking for information and evaluating alternatives instead of the convenience goods, such as packed food, where the stages of buying process are highly intersected (Kotler, 2003; Jobber, 2007).

In the home appliances domain, Bayus (1992) used the data of syndicated consumer telephone survey of 60,000 American households to study the brand loyalty. This research measured the brand loyalty as the probability of purchasing the same appliance brand as the one previously owned. It seems that since major home appliances are generally expensive and they have a certain amount of risk associated with them, it is

reasonable to expect that a household will purchase the same brand as previously owned, assuming there was a positive experience and satisfaction with this brand. Here, the perceived risk appears to play a significant role in home appliances' purchasing, and it is discussed in the next section.

3.3.3. Perceived Risk

Generally, consumers modify, postpone or even avoid their purchase decisions with a high influence of perceived risk (Dowling and Staelin, 1994; Kotler, 2003), which represents another behavioural aspect. According to Meyvis and Janiszewski (2002) the perceived risk consists of three types. The first type is financial risk; when consumer feels that the product will not meet his/her expectations based on the amount of money required to pay for it. Second, performance risk which exists when the product function does not meet, well, consumer need and desires. However, consumers are selectively looking for information that suggests the product will deliver desired benefits for them. The third type of perceived risk is the social risk. It happens when consumer thinks that the purchase of a certain product will make others think less highly of him/her (Soares, 2004). In this current research, consumer was selected as the unit of analysis. Therefore, it is appropriate to classify consumers according to the risk perceived behaviour, rather than classify the behaviour itself. Accordingly, consumers are classified into three segments according to their response to risk; risk taker, impercipient and risk avoider (Ha, 2002).

Undoubtedly, consumers, in most cases, attempt to reduce the risk in their purchase decisions by gathering information from friends and other resources. However, an empirical study showed that the relationship between information search and perceived risk cannot be confirmed (Soares, 2004). Similarly, Mourali (2001) did not support the argument that suggests a positive relationship between perceived risk and consumers' preference for interpersonal information search. This can be ascribed to that in a high risk situation; the consumer will tend to engage in an extensive search and explore a wide variety of sources (Soares, 2004).

Some consumers tend to keep buying the same brand to avoid any potential risk from their view and, consequently, they become brand-loyal consumers to the brands that are well known, or known to them (McCarty *et al.,* 2007). This produces an increasing effect of brand or product familiarity (Kahn, 1999). The product familiarity embodies

an important factor in product evaluation and choice, because familiarity with a product class or a certain brand will diminish the effect of some behavioural aspects such as country image (Lundstrom *et al.,* 1998). Furthermore, the familiarity with a brand impact on a consumer's confidence toward the brand and, also, his/her intention to buy the same brand. In addition, a consumer's attitude toward a specific brand is affected by his/her familiarity with the brand (Laroche *et al.,* 1996).

Marketers must understand the factors that have an influence on the risk feeling of consumers and provide information to help consumers to reduce the perceived risk (Kotler, 2003). Clearly, gathering information leads consumers to be more exposed to producer's messages. However, the information's effectiveness depends on how much the consumer relies on it.

3.3.4. The Reliance on Producer's Information

The reliance on producer's information is a one of the behavioural aspects which has an influence on the consumer response toward marketing programme. Some research has yielded that the consumer evaluates the personal information source (e.g., friends and family) as more reliable than the commercial messages. In this context, marketing literature has indicated to the importance of Word-of-Mouth (WOM) as influence on some consumer behaviour patterns (e. g., Broadbridge and Marshall, 1995; Mattila and Wirtz, 2002; Podoshen, 2008; Chung and Tsai, 2009; Thomson, 2009). WOM is an informal mode of communication between individuals concerning the evaluation of goods and services (Chung and Tsai, 2009). Specifically, the effect of WOM as a type of personal information source is concentrated in the pre-purchase information search stage of buying process (Mattila and Wirtz, 2002). Accordingly, marketers seek to invest more effort in WOM through forming strong ties with their customers, as customers with strong ties, might provide positive WOM about the brand (Chung and Tsai, 2009). Reversely, dissatisfied customers could be as a source of negative WOM, which have not *just* a major influence on the buying behaviour of others (Broadbridge and Marshall, 1995; Gianfranco and Mitchell, 2010), but also can have a severe effect on the reputation of brands (Thomson, 2009).

The interesting insight is that some research has revealed that there are no significant differences in the use of WOM in response to the purchase between consumers who have different characteristics (e.g., Jewish and non-Jewish; Podoshen, 2006, African

and non-African; Podoshen, 2008). However, cross-culture marketing research has, also, showed that the evaluation of personal information sources is slightly the similar for the consumers across countries (Dawar and Parker 1994; Dawar *et al.,* 1996).

Literature in consumer behaviour has generated useful insights for marketers to deal with how a consumer evaluates the promotional messages. In this context, as the advertising context can induce effective reactions, it can be developed to lead consumer's evaluation to consider it as a reliable information source. The consumer reliance on an information source in the purchase decisions is a function with many factors. For example, consumers who purposely purchase through e-commerce usually obtain information about a specific brand through various online sources, such as the Google and Bing search engines (Rowley, 2000; Maksudunov, 2008). Furthermore, in most cases, the consumer tends to rely on some information source according to his/her other behavioural aspects and/or their individual characteristics (Mager and Hulpke, 1990; Peter and Olson, 2008). However, the rapid change of technology and development in media are driving the consumer's evaluations of the information sources to be more changeable over years (Mooij, 2004b).

As previously mentioned, consumers seek to obtain information which helps them with product/service evaluation, decision-making and reduction of risk related to purchases. Therefore, there is a strong link between the reliance on information source and the perceived risk (Soares, 2004; Podoshen, 2008; Chung and Tsai, 2009). Marketing literature has indicated that the consumers, who are low concern with *perceived risk*, tend to consider the brand information and reputation as a relied information source (Ha, 2002). Furthermore, a study of 3,372 consumers from four countries, explored consumer style in aiming to determine if the information from advertising helps him/her to make better buying decisions. The study exhibited that the *brand-loyal* consumers are somewhat responsive to advertising, while information seekers consumers are more likely to believe that advertising is an informative source. Generally, consumers showed a moderate level of responsiveness to advertising (McCarty *et al.,* 2007). In this context, a research on 165 consumers showed that advertising cognition has an indirect influence on brand attitude and its effect is an important determinant for the information about the product's attributes (Teng *et al.,* 2007). However, a study conducted on 619 consumers from eleven countries, investigated the influences on consumer's electronic product

information search activities, showed that the consumers rely on friends more than salesperson and advertising (Dawar *et al.,* 1996).

3.3.5. Response to Advertising

Advertising is an important element in the marketing programme, as it is the most prevalent aspect of promotional activities. Thus, marketers have to design the advertising message carefully and be watchful about the included information, because irrelevant information may weaken consumer's beliefs in the product ability to deliver the benefit (Meyvis and Janiszewski, 2002). Also, when consumer understands that advertising cannot be a real and helpful instrument itself, its representation must be discounted (David and Bridger, 2001). Generally speaking, to be successful in advertising, marketers should realise that the advertising is the art of persuasion.

The key factor in designing the advertising message is its sufficient and critical informative content (Tai and Chan, 2001). However, whereas advertising should not be information-laden like an engineering description for a product, it should include information about the advertised product (Levitt 1993). Also, the adjustments of the advertising message across the world are different in terms of the information (Sciulli and Taiani 2001). For example, compared with advertising from the US, advertising in the UK has been found to be less informative, more entertaining, and more likely to use a soft sell rather than a hard sell approach (McCarty *et al.,* 2007). However, this can be attributed to some factors, such as the Product Life Cycle (PLC) in each market.

The aim of advertising is to put something in the consumer's mind that could change their attitude or motivates consumer to act (Peter and Olson, 2008). Marketers should be concerned with how advertising affects consumer. In other words, they should research into *consumer's response to advertising*, which is an important behavioural aspect. In marketing literature, there is a considerable debate about how advertising works. There is no single theory which can explore how all advertising works, because it has varied tasks (Jobber 2007). However, research has shown that how a consumer responds to advertising message through many models, which have centred on the notion that the consumer response consists of cognitive, affective and behavioural stage (e.g. Lavidge and Steiner, 1961; Vakratsas and Ambler, 1999; Kotler, 2003; Blackwell *et al.,* 2006; Armstrong and Kotler, 2008). It can be said that all the models attempt to analyse the advertising effect through behavioural stages. Therefore, the study of advertising effect

in the buying process context provides more understanding and distinguishing for the stages of advertising's effect.

Accordingly, marketers design advertising in order to affect consumer behaviour in the stages of buying behaviour. Typically, the advertising supposed to be an influencing factor in every stage as the following scenario; in the first stage, *need recognition*, it arouses and motivates consumer need and desire (Kotler, 2003). In the second stage, *information search*, it provides persuasive information about product attributes and features (Levitt, 1993). In the last two stages, *purchase decision and post-purchase behaviour*, advertising could affect people that share in decision making (e.g., family; Maksudunov, 2008). Also, it provides information that justifies the purchase decision and, consequently, reduces the cognitive dissonance that may happen (Bettman, 1971; Smith, 1993).

In this context, a study on 327 Libyan consumers which aimed to identify the TV advertising effect on their buying behaviour in foreign home appliances purchasing (Busnaina, 2006). The study measured the advertising influence on buying behaviour (representing by the buying process) using four variables according to AIDA model – Awareness, Interest, Desire and Action – (Strong 1925, cited in Kotler 2003:568). The results showed that advertising has a significant role in motivating buying behaviour and the highest effect of advertising was in need arousing stage, whereas, the lowest one was in the purchase decision stage. This result can be ascribed to various circumstances surrounding consumers, such as relative high prices of the foreign home appliances in Libya, or the low power-purchase of Libyan consumers – during the study's time – which might be considered as barriers for purchase action.

As a consequence, the buying process can be considered as an appropriate measure for the effect of marketing activities on consumer behaviour. The framework of buying process reveals how consumers mentally process, store, retrieve and use marketing information in the decision making process. Hence, it provides an appropriate context to analyse how consumers react toward marketing programmes, which is the key purpose of this current research. Further, the stages of buying process interact with buyer characteristics and surrounding factors. For example, the stage of alternative evaluation which clearly reflects the consumer's preferences is influenced by the individual characteristics (e.g., age and gender) (Mourali, 2001; Puccinelli *at el,* 2009). Also, the

method of shopping also affects this stage. In e-shopping environment, for instance, this stage becomes more structured and constrained, as consumers able to collect product information and make comparisons between the different product offerings from different providers, even across national boundaries (Rowley, 2000).

3.4. The Influences on Buyer Behaviour

The current research investigates the causal examinations and explanations for determining to what extent do cultural and/or individual factors impact Libyan consumer perspectives on foreign marketing programmes. Therefore, besides the behavioural aspects, the buyer characteristics and the external influences on buyer behaviour should be deemed and studied. The focus here is on those characteristics and influences that have been investigated in the marketing literatures and showed a potential effect as determinants of consumer's responses and purchase patterns (e.g., Dawar *et al.,* 1997; Lundstrom *et al.,* 1998).

3.4.1. Individual Characteristics

As the buyers are, mostly, those who take the purchase decision; their individual characteristics impact this decision. These characteristics (also known as buyer or personal characteristics) embody the internal factors in consumer behaviour and they are shaped based on some ingredients, which are *aggregated* into the consumer's themselves. According to marketing literature (e.g., Johnson and Chang, 2000; Kotler, 2003; Jobber, 2007; Peter and Olson, 2008), these characteristics consists of consumer's age, marital status, level of education, number of children and socioeconomic status. The latter refers to occupation, asset wealth, international exposure and disposal income (Nader, 1969; Dawar, *et al.,* 1996; Batra *et al.,* 2000), which have effects on consumer behaviour (e.g., consumer's preferences; Roth, 1995). Consequently, marketers should take them into account to develop the marketing programme effectively. Furthermore, there are other characteristics which can be considered from an individual perspective, such as lifestyle, personality and self-concept (Armstrong and Kotler, 2008). However, studying such characteristics requires focus on a *certain* product or brand choice to examine these characteristics' effects on it. In other words, the unit of analysis in such research should be the selected product or brand choice. Therefore, as the current research investigates consumer buying behaviour toward different products and brands, the focus in this section is on the previous five ones.

As the individual characteristics contribute to shaping the aspects of buying behaviour, marketers and academics seek to understand the consumer behaviour through studying his/her characteristics. Further, it has been debated in the marketing literature that the influence of individual characteristics has overridden the influence of cultural factors on buyer's behaviour (e.g., Levitt, 1983; Jain, 1989; Dawar *et al.,* 1996; Mooij, 2003b; Kotler, 2003; Lindridge and Dibb, 2003). Therefore, the study of the consumer's individual characteristics has an increasing importance in the consumer and marketing research.

In some developing countries it has been suggested that these characteristics determine the consumer purchase pattern and that they play a significant role in the consumption of foreign products (Lundstrom *et al.,* 1998). Here, marketers analyse consumer's characteristics in aiming to tailor their offers, to match the needs of different kinds of consumers (Moore *et al.,* 1994; Chandran and Morwitz, 2005). Understanding the characteristics' effect helps marketers to explore the other factors that affect the model of buyer behaviour. Hence, they seek to understand the relationship between the consumers' characteristics and some behavioural aspects, such as consumption attitudes and product adoption.

In this context, Wang, Dou and Zhou (2008) have investigated the attitudinal and personal antecedents of consumer new product adoption, using syndicated data from a large random sample of Chinese consumers. Their empirical research has demonstrated that social-demographic characteristics have significant influence on new product adoption behaviour. Also, they have suggested that young, high income and well educated consumers tend to accept market innovations more quickly. Their results confirm that demographics and psychographics together can be effective discriminating variables for new product adoption.

Clearly, these results imply that consumers change the goods and services that they buy over their life. For example, tastes in food, furniture and recreation are often age related. However, buying behaviour is also influenced by martial status, level of education, number of children and socioeconomic status (Kotler, 2003; Peter and Olson, 2008). Accordingly, marketers often defined their target markets in terms of such characteristics and develop appropriate products and marketing programme for them (Jobber 2007).

Marketing today has an increasing tendency to deem and target the segments that transcend national borders in all parts of the world (e. g., Ohmae, K 1989; Griffith and Ryans Jr, 1995; Dawar, and Chattopadhyay, 2000; Viswanathan and Dickson, 2007). Therefore, marketers are concerned about the differences between segments that have the same individual characteristics from nation to nation. Although the idea that the national culture of consumer behaviour dominates his/her individual characteristics still exists (Hofstede, 2005), more of the empirical research indicate that it is possible to find a consumers group that has the same individual characteristics across the world irrespective of their nationalities (Dawar and Parker, 1994). This can be attributed to the recent growth of the middle class across the world (Muroi, 2003). The increasing emergence of such class indicates that people might be more convergent in different countries.

In a situation of global marketing with free-flowing information, technology crossing borders, the emergence of global media, increased consumer sophistication and purchasing power (Kotler, 1999; Steenkamp and Hofstede, 2002) marketers need a framework of individual characteristics to facilitate the understanding of consumer behaviour today. Specifically, they seek an understanding of consumer buying behaviour patterns and, also, the influencing consumers' characteristics on buying foreign products. Mager and Hulpke (1990) endeavoured to provide a framework of Chinese consumers through sstudying some individual characteristics such as income, education and occupation. They revealed that these characteristics substantially play a role as a determiner of the purchase of expensive foreign goods. Furthermore, their results showed that the education, age, and income are highly correlated to information search and product knowledge.

In this same context of foreign products, a research survey on 1,253 consumers examined the impact of selected individual characteristics on Taiwanese consumers' intentions to purchase Japanese versus US refrigerators conducted by Lundstrom, Lee and White's (1998). The results showed that the more educated consumers have been found to be less conservative for buying domestic products. They are also likely to be less patriotic and rate foreign products more favourably than domestic products. In investigation of the country image, the findings have supported the positive correlation between higher income and the tendency to evaluate foreign products more favourably. They concluded that those consumers with intentions to purchase US-made refrigerators

were young, well educated and well-off. Although the differences were moderate, this finding indicated that individual characteristics continue to be an important factor in the marketing of foreign goods. Lundstrom, Lee and White's (1998) research resembles the investigation of the current research, as it studied some individual characteristics and their impact on selected foreign products. The current research attempts to determine how Libyan consumers are influenced by marketing programmes according to individual characteristics to build a model for their buying behaviour.

However, there are many forces acting on consumer behaviour. Besides the individual characteristics, the consumer's decisions are a result of the complex interplay of psychological, social and cultural factors (Peter and Olson, 2008). Furthermore, the point that makes understanding of consumer behaviour more complicated is the interactive relationships between these factors. For instance, the consumer's age, as individual characteristic, has an interactive effect on psychological ones, which produces various patterns and different responses. Here, many marketers offer products and services toward the individual's cognitive age. Cognitive age may remain static for a number of years until a major life occurrence (Van Auken and Barry, 1995) and, therefore, marketers tend to use the cognitive age as a variable in market segmentation. However, this might represent a problematic variable for marketers (Birtwistle and Tsim, 2005). For example, in the well-known case of Ford Mustang automobile, the company designed its automobile to appeal to young people who wanted an expensive sports car. But it found that many Mustangs were purchased by the older buyer. It then realised that its target market was not the chronologically young, but the psychologically young (Kotler 2003:289). Similarly, in mature female's preferences, a study on 150 consumers showed that they do not deem chronological age to be the same as their cognitive age and nearly everyone felt that they belonged to an age group younger than their actual age. Furthermore, it found that cognitive age contributes more than chronological age to understanding how mature consumers view themselves and how they consume (Birtwistle and Tsim 2005).

Consequently, investigating cognitive age provides marketers with a better grasp of how consumers see themselves, their attitudes and, consequently, their buying behaviour. Therefore, to obtain better understanding of the influence psychological on consumer's individual characteristics and vice versa, marketers may apply the science of psychography which uses psychology with demographics to better understand

consumers (Kamakura and Wedel, 1995; Kotler, 2003). As discussed previously, buying behaviour cannot be analysed with isolating from studying all variables in the model of consumer behaviour such as individual characteristics, psychological and social factors. Thus, as the individual characteristics are discussed above, the following section discusses some psychological and social factors. Again, the psychological and social factors that have been chosen to be discussed in this chapter are those that relate to this particular research context. The next section discusses those factors that marketing literature has showed that they are interdependent with consumers' responses toward marketing and his/her purchase decisions (e.g., Kotler, 2003; Peter and Olson, 2008).

3.4.2. Psychological and Social Factors

Effective marketing efforts are those that forecast where/how psychological factors' effect are moving, and those are able to be ahead of them (Kotler, 1999). A consumer's buying choices are influenced by a number of psychological and social factors that have varying impacts on his/her behaviour (Jobber, 2007; Peter and Olson, 2008). Most marketing scholars and researches who study the consumer behaviour within marketing management's perceptive, have discussed the psychological factors in the context of the model of consumer behaviour and buying process (e.g., Hawkins *et al.,* 1998; Kotler, 2003; Blackwell *et al.,* 2006; Jobber, 2007; Armstrong and Kotler, 2008; Peter and Olson, 2008). Here, in this section, the major psychological factors' dynamic can be discussed through previewing how consumer responds to marketing stimuli.

A promotional message often aims to arouse the need that is sufficiently pressing to direct consumer to seek satisfaction of the need. Clearly, this aroused need represents the *motivation* (Wolfe, 1998), which leads consumer to be ready to act. Then, consumer acts according to his/her *perception* (Krishna *et al.,* 1991; Srivastava and Lurie, 2001) which refers to selection, organisation and interpretation for information, to form a meaningful picture of the world (Armstrong and Kotler 2008). When consumers act, they learn. *Learning* here can be identified as change in an individual's behaviour arising from experience (Van Osselaer and Alba, 2000). These influencing factors can be used by marketers to build up the demand for their product (Dibb and Simkin, 1997).

Through passing into psychological factors, consumers acquire *attitudes* that influence their buying behaviour. Here, attitudes refer to a description of consumer favorable and

unfavorable evaluations, feelings and tendencies toward an object or idea (Bagozzi *et al.,* 2002; Jobber, 2007). However, consumer's attitudes are difficult to change. Therefore, marketers would be advised to design their products' features into existing attitudes rather than trying to change them (Kotler, 2003). Nevertheless, there are some companies that succeeded in changing attitudes toward their products (Cin *et al.,* 2007). Consumer's attitudes are considered a crucial factor in the studying of consumer behaviour. Moreover, the consumer's response to marketing programme can be measured by attitudes, sentiment and purchase intention (e.g., Gaski and Etzel, 1986; Holbrook and Batra, 1987; Teng *et al.,* 2007; Gaski, 2008). This description above, for psychological factors and how they influence buying behaviour, is adopted in much of the literature of consumer behaviour (e.g. Shutte and Carlante, 1998; Kotler, 2003, Solomon *et al.*, 2006).

Despite a long history of attitude research founded on the premise that attitudes are formed primarily as the result of cognitive learning processes, some researchers have argued that there are other influences which also play a substantial role in attitude formation (Bodur *et al.,* 2000). As mentioned, buying behaviour research requires studying all factors that may influence on it. Although marketers cannot control such factors, they should take them into account. Moreover, with the increasing openness that the world commerce witnesses, consumers have a wide exposure and easy access to global cultures through media and mobility, emphasis will be tended to shift toward social factors and cultural values to obtain more marketing effect (Roth, 1995). Therefore, the marketer seeks to explore the variables' set of social structure which contributes significantly to shaping the consumer attitude toward marketing activities (Rachel, 1999). Here, the strongest role in this context is played by the family influence (Armstrong and Kotler, 2008).

Maksudunov (2008) investigated the family influence on the consumer home appliance purchasing behaviour in Kyrgyzstan. The study included 267 consumers and examined this influence through identifying whether the family is the main source of information on home appliances purchase; who in the family collects information, who evaluates the alternatives and who makes the last purchase decision. The results showed that consumers rely on their family as a main information source. Regarding the unit of purchase decision, the study revealed that mothers and children are who mainly collect the information about home appliances, and evaluate the alternatives before purchasing.

Whereas, fathers are who make the last purchasing decision. However, these roles might vary widely in different countries and social classes (Kotler, 2003). For instant, family members had a stronger influence on a consumer's choices than in countries in which the family plays a less prominent role, such as USA (Luna and Gupta, 2001).

However, clearly, family members can strongly influence buyer's behaviour, because they have a direct communication with him/her. Family members' affecting role is exhibited in the purchase decision stage in buying process, especially, when the decision is related to a product that may have sharable use (Johnson and Chang, 2000). Although with this effect, consumers usually choose products appropriate to their *role and status* in many groups that they belong to, such as institutions and clubs. A role here refers to the activities people are expected to perform according to the group's members (Solomon *et al*., 2006; Armstrong and Kotler, 2008). Also, consumer's social role has a significant effect in other patterns of purchasing, such as impulse buying behaviour, and marketers, therefore, consider it as a normative factor for many dimensions of consumption (Rook and Fisher, 1995).

As mentioned earlier, beside the family, consumer's behaviour is also influenced by external factors which exist in his/her surrounding environment such as *reference groups, social roles* and *status*. Reference groups refer to an actual or imaginary individual group which has a significant effect on individual's evaluations, aspiration or behaviour (Lindridge and Dibb, 2002; Solomon *et al*., 2006; Jobber, 2007). Consumers are often influenced by these groups to which they do not belong. Marketers endeavour to attract consumers to their offers by using such groups in promotional messages (Luna and Gupta, 2001), because they realise that reference groups can be a critical source of brand meanings for consumers (Escalas and Bettman, 2005). However, the effectiveness of the groups' effect is depending on how much the offered product is visible to others whom the buyer respect.

These influences are changeable as much as the change in the external environment of consumer (Pressey and Selassie, 2003). Therefore, the external factor, generally, represent a critical challenge to marketers. Here, the cultural factors might be the most important, difficult and complicated ones. This can be ascribed to the fact that the culture values can be considered as integrated influences in the consumer soul (e.g., cultural personality), and as an external influences (e.g., social factors) in the same time

(Mooij 2003b). Moreover, the study of culture is a challenging undertaking, because its primary focus is on the broadest component of social behaviour in an entire society (Schiffman and Kanuk, 2000). However, this current research studies the behaviour of consumers in one particular country (Libya), within one homogenous culture (Arab) (Metz, 1987; The World Fact Book, 2007), and explores the impact of marketing programmes that emanate from different country-of-origin global operators. Therefore, coming discussion of the culture is centred on the cultural influences within the context of consumer buying behaviour toward marketing stimuli.

3.4.3. Culture Factors

Cultural factors represent a set of broad and deep influences on the consumer. Also, there are some differences in consumers' behaviour which can be ascribed to the cultural factors' effect (Slowikowski and Jarratt, 1997). Therefore, marketers need to understand how culture plays the role of underlying determinants of consumer behaviour, and what the changes are in it (e.g., Henry, 1976; Blackwell *et al.,* 2006; Jobber, 2007; Kotler 2003; Peter and Olsen, 2008).

To start the discussion of culture influence, it is necessary to come across the culture's definition and concept. Culture can be considered as the norms, beliefs and customs that are learned from society and lead to common patterns of behaviour (Slowikowski and Jarratt, 1997). The key component of culture is the values which determine what is considered socially acceptable behaviour. These learned values also determine the forms of social organisation, such as the family, education and social class system which characterise a society. Clearly, as consumers are the society's members, their buying behaviour is related to the culture in several ways. In this context, culture can be defined as the sum total of learned beliefs, values and customs that serve to direct the consumer behaviour of members of a particular society in a country (Schiffman and Kanuk, 2000).

Furthermore, Armstrong and Kotler (2008:129) have defined the culture as 'the set of basic values, perceptions, wants and behaviours learned by a member of society from family and other important institutions'. It can be realised that this definition reveals the interaction between psychological, behavioural and social factors which serve the purposes of studying culture in consumer behaviour context. Accordingly, consumer culture can denote a social arrangement in which the relations between the lively culture

and social resources of a society (Arnould and Thompson, 2005). Thus, marketers and researchers in consumer behaviour have to explore how consumers have gained their culture, and where does culture come from.

According to Hofstede (2005), culture consists of patterned ways of thinking, feeling and reaction that are acquired and transmitted mainly by symbols, constituting distinctive achievements of human groups. Further, he has considered the traditional ideas (e.g., historical derived and selected) as the essential core of culture. Moreover, Hofstede (2001) has support the notion that national cultural value systems are more stable over time, and the element of national culture can be carried forward from generation to generation. Therefore, countries like the Arab World (22 countries) that have shared norms and value (e.g. those derived from Islam), customs (e.g. Arabic tribes), history (e.g. Islamic and Ottoman Empire) and language (Plain Arabic), tend to be having highly convergent national culture. Particularly, this is extremely applicable within one country of them. For example, Libya (the fieldwork area of the current research) can be considered an appropriate country of the national culture. This is attributed to 97% of Libyan population are Muslims, Arabic speakers and consider themselves as Arab (Metz, 1987: The World Fact Book, 2007).

From this, it can be implicated that culture is mainly derived from traditional transmitted values continually. Then, these values, along with customs and basic attitudes, become the rules that govern the whole society. This idea can justify the usage of nationality as a surrogate for culture, because all members of a given national group typically share a similar history, language, and political and educational environment (Dawar and Parker, 1994). Moreover, the culture's influence examining in the nationality context (national culture) has a significant mediated impact in some aspects of consumer behaviour (Birgelen *et al.,* 2002; Soares 2004). However, as mentioned previously, the current research investigates the causal examinations and explanations to determine the influence of national culture on Libyan consumer buying behaviour.

In this context, the point that should be distinguished is that culture does not denote, here, to the identity, but it can connote it. Generally, identities consist of people's answers to the question of *'where do I belong?'* (Hofstede, 2005). However, marketers are concerned with the effect of identity on consumer behaviour. For instance, a study showed that Japanese consumers with high ethno-national identity scores have a high

purchase intention for Japanese-made appliances. Whereas, consumers who are more open to foreign cultures tend to choose US-made appliances (Mager and Hulpke, 1990; Lundstrom *et al.,* 1998). However, this can be, also, ascribed to the country of origin's influence.

From the discussion above, it can be concluded that the study of culture generally requires a detailed examination of the character of total society, including such factors as learning, knowledge, customs, technology and products that give a society its distinctive flavour. Accordingly, it is not easy to define culture's boundaries (Schiffman and Kanuk, 2000). In addition, there are limitations which should be taken into account when measuring culture. For example, the learned values that stem from culture are not easy to measure, because each individual is unique in the way specific product attributes and brands are evaluated. Also, the validity of culture research can be hindered by generalisations about nations (Slowikowski and Jarratt, 1997).

Another drawback in studying culture in consumer behaviour context is that factors other than culture, which differs across countries, may drive the observed differences in behaviour. In other words, non-cultural factors may be confounded with cultural factors. For example, if a variable per capita income is considered as an appropriate definition of culture, differences would be found between a poor country and one with high Gross Domestic Product (GDP), in which case, the rejection of similarity is justified. Whereas, in comparing persons with similar incomes across cultures (even with very different average countries' incomes), statistical differences might be not found. Then, here, the rejection of similarity may not be warranted (Dawar and Parker, 1994).

However, while the differences in national wealth can initially explain differences in some aspect of consumer behaviour across countries, there is, nevertheless, no empirical evidence of converging consumer behaviour across countries (Mooij, 2003b) On the contrary, when countries converge with respect to the national wealth, GDP cannot serve as a variable for explaining variance. When that point is reached, culture becomes the only useful explaining variable (Mooij, 2003a). Therefore, an important consideration for marketers is determining the best approach to market their product or service across national borders. It has become clear that the answer to this is not as simple as complete standardisation or adaptation, and the appropriate approach may consist of a complex set of variables (McCarty *et al.,* 2007).

Both marketing researchers and practitioners endeavour to understand consumer buying behaviour internationally. Clearly, this contributes to producing and developing numerous models to explain the major influences on consumers' buying behaviour (Soares, 2004). However, in the coming section, different models of consumer behaviour are addressed (e.g., impulsive and planned consumer behaviour) and then the appropriate model for the context of this current research is concluded.

3.5. A Framework of Influences on Buyer Behaviour

The buyer's response toward marketing stimuli cannot be understood with the isolation of all surrounding influences. Therefore, the researchers in marketing have developed different models in aiming to explain the interactive relationships between these influences. In marketing practice, most large companies research consumer buying decisions in great detail in order to answer questions about consumer behaviour, motivations and influencing factors. Marketers can study actual consumers' purchases to find out what they buy, where and how, but, learning about why the consumer buys is not easy, because it extends deeply within the consumer's mind (Blackwell *et al.,* 2006; Jobber, 2007).

A number of theories – applicable to both domestic and international markets – have been developed in an attempt to explain consumer behaviour (e.g., Ajzen and Fishbein, 1980; Rook and Fisher, 1995) and there are numerous models that seek to elucidate relevant interactions (e.g., Peter and Olson, 2008; Armstrong and Kotler, 2008). Generally, these theories and models have been created specifically to predict/explain the consumer's response toward key marketing stimuli and, as both internal (e.g., psychological) and external (e.g., social) factors are at play, marketers have found it necessary to assess both the relative and absolute importance of key features. And though there is no universal solution to the many problems that arise, it is increasingly possible to compute the situational relevance of each factor's importance, or to establish which factor(s) are the most relevant under specific situational conditions.

Overall, as previously noted, there are several models that seek to explain interacting influences on consumer behaviour, but this current research requires a model that associates marketing stimuli, external influence, buying process and consumer choice in a manner that fully accommodates the influences on buyer behaviour. This current research aims to (1) identify the influence of the foreign marketing programme on

consumer buying behaviour and (2) determine to what extent do cultural and/or individual factors impact on consumer perspectives toward these programmes. Therefore, it is necessary to use consumer behaviour model that address all these variables. Namely, they are the marketing programme (4P's), the stages of buying process, the individual factors and the external factors.

Armstrong and Kotler (2008) offer a consumer behaviour model (Figure.3.2) that takes into account most key variables. Their model describes the consumer's response to those stimuli/influences that impact the consumer's mind (black box), and demonstrates how these are converted into a set of observable responses regarding choice, purchase volume and timing. These influences and characteristics are important for the current research, as it investigates the significance of the key cultural and/or individual factors as variables in understanding the impact of marketing programmes for Libyan consumers. Further, this current research investigates buyer's behaviour within the context of the area (the Arab World) that has received little attention from marketing researchers (Tuncalp and Erdem, 1999; Souiden, 2000, 2002; Assad, 2007). Also, it studies consumers in an emerging market (Libya) who have not had much experience with foreign products like Western consumers have. Therefore, using such a relatively basic model (Stimulus-response Model), as the basis of conceptual argument development, appears appropriate for the particular case of this current research.

Figure.3.1: Stimulus-response Model of Buyer Behaviour

Marketing and other stimuli		Buyer's black box	Buyer responses
Marketing	Other	Buyer characteristics	Product choice
Product	Economic	Buyer decision process	Brand choice
Price	Technological		Dealer choice
Place	Political		Purchase timing
Promotion	Cultural		Purchase amount
	Social		
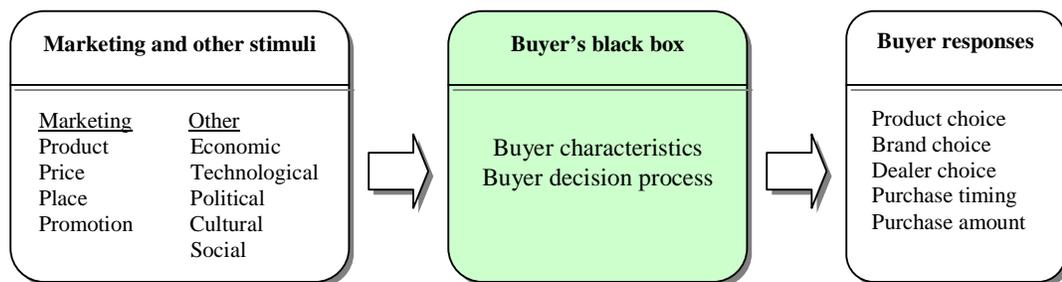
Source: (Armstrong and Kotler, 2008:130)

According to Armstrong and Koler (2008), their model explains the consumer's response toward stimuli. Namely, marketing stimuli and the other influences (shown in Figure.2.3) enter into the consumer's mind (black box), where they are turned into a set of observable buyer responses (certain decisions). As discussed in Chapter.2, marketing

stimuli are represented in the elements of marketing programme. Basically, they consist of the four P's. Regarding other influences, they exist in surrounding circumstances and environment of consumer. The difficulty exists in how the human brain makes buying decision, as consumers do not generally give very reliable answers if they are asked why they bought a product (Edwards, 2005). Here, the model illustrates that in consumers' black box, the buyer's characteristics influence how he/she perceive and react to the stimuli. Also, the buyer's decision process itself affects the buyer's behaviour.

Although this model includes most of surrounding influences on buyer's behaviour as well as marketing stimuli, it could be debated whether or not such a model is useful to explain consumers' behaviour across countries. The world business is becoming increasingly cross-cultural and many marketers aim to enter new international markets (Luna, and Gupta, 2001). Thus, an understanding of how culture influences consumer behaviour across borders has emerged as an important issue for both marketers and researchers (Soares, 2004). This issue is dealt with next.

3.6. International Consumer Behaviour

The foregoing discussion in marketing literature indicates that the marketers who want to sell goods and/or services across national borders face an extremely complex situation (McCarty *et al.,* 2007). This can be attributed to various factors such as the transformability of their operations, economic freedom and competition. However, the key variables are those that relate to consumer behaviour (Viswanathan and Dickson, 2007). Globally, consumer culture can be described as a woven network of global connections and extensions through which local cultures are increasingly interpenetrated by the forces of transnational capital and the global mediascape (Arnould and Thompson, 2005). Therefore, as previously discussed, cultural factors represent the most complicated factors set in understanding of consumer behaviour (Armstrong and Kotler, 2008). Marketers seek to understand the impact of culture, as ignoring culture's influence may lead multinational firms to centralise operations with a lack of local sensitivity, which reduce their profitability (Mooij, 2003a). However, obtaining a high level of local cultural sensitivity along with considering global orientation is not an easy task, due to continuing changes at both levels (Vida and Dmtrovic, 2001).

There are many variables which contribute to culture change, leading to convergence or differences in consumer behaviour. In some countries, consumers are exposed to the products of the same scientific discoveries in the form of modern technology which plays an important role in culture change. This, however, supports the idea of cultural universal where all societies will become more similar (Hofstede, 2005). In contrast, although marketing infrastructures are increasingly similar across borders (e.g., European countries; Gracia and Albisu, 2001), national differences in some consumer preferences and habits still exist (McCarty *et al.,* 2007).

However, cultural universal which refers to general human behaviours that have been observed to be common across cultures, is still questionable. Marketing literature has indicated that some behaviours are likely to be universal, whereas others are not (Mager and Hulpke, 1990). Therefore, marketers should understand the extent to which key behaviours vary from one culture to another. Moreover, they should be concerned with local business conditions, legal restrictions, and other culture-bound structural factors which affect the implementation of their marketing strategies (Dawar and Parker, 1994).

It can be realised that the consumer research focusing on the culture influence across countries are extremely valuable to international marketers. This is because they need significance insights with respect to cultural differences and/or segments of consumers that transcend countries and cultures (McCarty *et al.,* 2007). Particularly, in marketing products internationally, understanding cultural practices can be useful in assessing whether a single strategy can be effective in different national environments, or whether several strategies should be adopted, each geared to the different cultural setting (Slowikowski and Jarratt, 1997). This has generated a well documented debate over the best approach to international marketing. Initially, participants in the debate tended to take one of two extreme positions on this issue, either a global (standardised) marketing strategy or a multinational (adaptive) approach (e.g., Vida and Dmtrovic, 2001; McCarty *et al.,* 2007). However, the debate on standardisation and adaptation perspective in marketing is discussed in Chapter.4.

3.7. Conclusions

In this chapter the concept of consumer buying behaviour were discussed. Further, the buyer's characteristics and behavioural aspects were reviewed. The chapter also showed how the influences on consumer behaviour interact with each other and the buying

process. Then, the discussion was initiated with the debate of which influences in the model of consumer behaviour can be considered as critical to marketers' consideration in their marketing programmes.

The changing natures of the consumer and the environment, alongside globalisations' effect (Jobber 2007; Kotler 1999) have caused an increasing importance of studying consumer behaviour. Accordingly, the organisation's perspective has been converted to be consumer-centred (Levitt, 1975; Stock, 2002). This also encourages marketing researchers to focus on more understanding of buying behaviour, which has produced a growing knowledgeable body of consumer behaviour (Kotler, 2003; Blackwell *et al.,* 2006; Jobber, 2007). Therefore, in marketing literature, there are many definitions which describe consumer buying behaviour from different perspectives. However, the buying behaviour's explanation from behavioural perspective is the one widely adopted, because it exhibits the dynamic nature of consumer behaviour, which provides important insights for development of marketing programmes (Peter and Olson, 2008).

As previously discussed in this chapter, both marketers and researchers are concerned with how marketing stimuli and other environmental influences are changed into responses inside the consumer's mind. They research consumers in detail using different theories and models of consumer behaviour which provides understanding of consumer behaviour (e.g., Blackwell *et al.,* 2006; Peter and Olson, 2008; Armstrong and Koler, 2008). Most presented models provide understanding of the buying behaviour based on the analysis of buyer's characteristics, environmental influences and the buyer's decisions' process itself. Furthermore, they show the role of these influences in each of the stages of buying process. Accordingly, marketers seek to understand buying behaviour using the consumer's response toward their stimuli in the context of these stages (Kotler, 2003).

In this context, the marketers' task is not easy due to the changing nature of internal influences (e.g. personal and psychological factors) as well as the external ones (e.g. social and cultural factors) which makes it more complicated (Pressey and Selassie, 2003; Blackwell *et al.,* 2006). Here, the cultural factors appear the most important and complicated ones (Mooij, 2003b; Schiffman and Kanuk, 2000). Thus, understanding the culture effect on consumer behaviour represents one of the marketing challenges. Moreover, as some differences in consumers' behaviour are ascribed to the cultural

factors' effect (Slowikowski and Jarratt, 1997); marketers also need to understand how culture plays the role of underlying determinants of consumer behaviour (e.g., Blackwell *et al.,* 2006; Jobber, 2007; Armstrong and Kotler, 2008).

As seen in the previous review, many scholars identified culture from different approaches. However, this chapter does not intend to argue that the use of a few dimensions totally covers and describes the differences between cultures, but it does constitute a simple, practical, usable shortcut to the integration of culture for the current investigation. Thus, the usage of nationality as a surrogate for culture will be adopted in the current research (Dawar and Parker, 1994). This can be justified by the notion that national cultural value systems are more stable over time and that the element of national culture can be carried forward from generation to generation (Hofstede, 2001), which is applicable for the fieldwork area (Libya).

Although with this reduction for the culture's aspects, model of consumer behaviour still has various arrays of variables, which make its understanding slightly complicated. However, it can be said that this complication of model of consumer behaviour can be ascribed to the interactive interactions between its influences (Blackwell *et al.,* 2006). As shown in Figure.3.3, the individual characteristics are the core components of consumers themselves (e.g., age, gender and education). Consumer develops his/her own personal behavioural aspects based on these characteristics as well as some psychological patterns and influenced by variety of external variable. The external influences can be classified to groups from marketing perspective; the marketing stimuli (the elements of marketing programme) and the environmental influences (e.g., social and cultural factors).

Consumer produces needs and desires which require buying decisions to satisfy. As consumer encounters relevant situations, the consumer's decision process is activated. Consumer engages in actions and a process that relate to need arousal stage until the purchase decision and then getting the actual satisfaction tool (product or service). As consumer exposes to various feelings, information and experiments through buying process, this process yields experiences and acquisitions. They produce in turn influence the consumer by affecting the external factors.

Figure.3.2: Overall Model of Consumer Behaviour

Experiences & Acquisitions

Environmental influences

Social Factors

Cultural Factors

Buying process

Consumer

Psychological Factors

Individual Characteristic

Behavioural Aspects

Needs

Desir

Need recognition

Information search

Evaluation behaviour

Purchase intention

Purchase Decision

Post-purchase behaviour

Marketing Programme

Product

Price

Promotion

Distribution

Experiences & Acquisitions

Adapted from: (Hawkins *et al.,* 1998; Lekakos and Giaglis 2004)

This model, which is adapted from that presented by Hawkins, Best and Coney (1998), captures the general structure and process of consumer behaviour with focusing on the buying process context. Furthermore, although this model does not contain sufficient detail to predict particular consumer behaviour, it is conceptually sound and views the consumer behaviour via marketing management's perspective. Moreover, it includes a clear distinction between the variables that interact with consumer behaviour. This provides an appropriate contrast to the current research that aims to investigate the effect of these variables with focus on specific variables and determine their statistical effect on buying behaviour characteristics of Libyan consumer.

This current research also contributes to the debate between standardisation and adaptation. The marketers' considerations about the decision of both strategies are which produce the marketing stimuli in the model. Therefore, the next chapter addresses

the debate between the standardisation and adaptation perspective. Furthermore, it investigates issues of the convergences and differences in consumer behaviour in the marketing programme's designing across-borders.

4. CHAPTER 4 LITERATURE REVIEW: THE STANDARDISATION DEBATE IN GLOBAL MARKETING

The global competitor will seek constantly to standardise its offering everywhere. It will digress from this standardisation only after exhausting all possibilities to retain it (Levitt, 2006:134)

4.1. Introduction

As a successful development of international marketing lies in '*think global and act local*' (Wills *et al.,* 1991), companies today are able to offer their product across borders. They seek for competitive advantages in these markets, which can be achieved via conducting marketing programmes according to the customer's requirements (Reichel, 1989). Also, in the global context, a firm success, or failure, is highly influenced by whether the firm can compete effectively in world market (Melewar and Stead, 2002). For instance, many U.S. companies are recognising not only the opportunities, but also the necessity of marketing their products internationally, because of saturated markets and intense competition from both domestic and foreign competitors (Belch and Belch, 2007).

Therefore, while understanding consumer behaviour and serving the needs of consumers are difficult enough for companies marketing within the borders of a single country, the companies operating in many markets in different countries could find this task intimidating (Armstrong and Kotler, 2008). In addition, taking into account the close relationship of marketing activities to the business environment and the economic aspects, such a task can be more difficult (Schuh, 2000). In spite of consumers across the world having some common behavioural aspects and values, attitudes and customs may vary greatly (Dawar and Parker, 1994; Dawar *et al.,* 1996; Soares, 2004). Marketers who intend to operate in international markets must understand such differences and adjust their marketing programmes to satisfy consumers in different countries. Sometimes the differences are obvious and observable, but they are more subtle in others.

It can be said that when the differences in consumer behaviour are a result of their physical environments, such as climate and the technology level, they can be managed (Parker, 1999b). Conversely, however, those differences which are attributed to

emotional, attitudinal and sentimental factors are more elusive for marketers to deal with. Also, it still does not identify why the behavioural differences may exist between individuals from a minority and the dominant majority. The explanation for this may lie in the culture's influences (Lindridge and Dibb, 2002). Therefore, the cross-cultural differences embody difficult challenges for international marketers (Peter and Olson, 2008). However, the world today is shrinking rapidly, because of the effects of globalisation, faster communications, transportation and financial flows (Kotler, 1999; Melewar and Stead, 2002; Steenkamp and Hofstede, 2002). The world map today, accordingly, is a competitive map, showing the real flow of financial and industrial activity, and the boundaries between countries have largely disappeared (Ohmae, 1989).

Some literature (e.g., Levitt, 1983; Dawar *et al.,* 1997; Usunier, 2000; Vida and Dmtrovic, 2001; Bird and Steven, 2003; Viswanathan and Dickson, 2007) has supported the notion that the speed, spread and strength of these changes drive the consumers across countries to behave similarly in numerous aspects of their buying behaviour. Moreover, marketing strategies that fail to recognise the similarities among markets can be at a competitive disadvantage (Levitt, 1983; Kotler, 1986; Ozsomera and Simonin, 2004). Therefore, marketers should be watchful toward the convergences and differences in consumer behaviour.

Marketers must decide on the degree to which they will adapt their marketing programmes to meet the unique cultures in various markets. As the process of standardisation provides a firm ability to employ similar marketing methods across geographies, with diverse political, economic, and marketing infrastructures (Griffith *et al.,* 2002), marketers, on one hand, want to standardise their offering in order to simplify operations and take advantage of cost economics. On the other hand, adapting marketing efforts within each country can result in programmes that better satisfy the needs of local consumers (Armstrong and Kotler, 2008). The emphasis in this discussion has been almost exclusively on the trade-off between satisfying cultural factors and achieving economies of scale (Solberg, 2000). However, the big issue today is not whether to go global but, rather, how to tailor the globally standardised marketing concept to fit each business (Quelch and Hoff, 1986; Sustar, 2005).

However, the degree to which international marketing programmes must be standardised or adapted has been a contentious issue for more than three decades now

(Theodosiou and Katsikeas, 2001). The question of whether to adapt or standardise the marketing programme across international markets has created a lively debate in recent years (Ryans *et al.,* 2003; Soares, 2004; Viswanathan and Dickson, 2007). This question has deep roots in marketing literature, because it originated with the question of how to treat international promotion (Rosen *et al.,* 1989). Furthermore, for the increase in world trade and the onward march of globalisation, the decisions on standardisation and adaptation of marketing strategies will continue to be an important issue for academic research and marketing practice (Schuh, 2000; Luna and Gupta, 2001; Viswanathan and Dickson, 2007).

This chapter presents an overview on the consumer's behaviour across national borders and its relations with the decisions of the global marketing programme via reviewing the relevant literature. Furthermore, it discusses the debate of the standardisation versus adaptation through a historical overview and by reviewing the advantages and disadvantages of each perspective. Moreover, the chapter previews potential factors which may affect the degree of standardisation.

4.2. Consumer Behaviour across Borders

As mentioned above, understanding consumer behaviour across countries is quite difficult to deal with (Soares, 2004). However, there are some models in marketing literature that have endeavoured to explain how cross-cultural factors influence on consumer behaviour. Furthermore, the cross-cultural empirical research has found significant differences in consumer characteristics, preferences and purchasing behaviour among different countries (Theodosiou and Katsikeas, 2001).

Marketers must take into account cross-culture differences when they develop marketing programmes cross-borders (Dawar *et al.,* 1997; Dawar and Chattopadhyay, 2000; Theodosiou and Katsikeas, 2001; Kotler, 2005). However, the frequencies of similar cultural changes in many societies around the world are steadily increasing, which might create similar marketing opportunities in many societies (Peter and Olson, 2008). The convergences in consumer behaviour have not only occurred due to cultural diversity, but also due to other influencing factors, such as physio-economic forces, climate, terrain and the effectiveness of communications (Rosenbloom *et al.,* 1997; Parker, 1999b).

In this notion, Peter Drucker (2001) presented an in-depth explanation. As he considered that the culture impact of the technology is far grater than the economic one, he ascribed these convergences to the emergence of psychologically global middle classes. The idea beyond this is that the middle class in half-developed countries do not see themselves as a part of their economy, but as a part of the worldwide developed economy. In other words, they have a tendency to regard themselves more as citizens of the world than as representatives of their own native cultures. However, this is also applicable to the middle classes in Eastern Europe and their considerations toward Western cultures (Usunier, 2000; Bird and Steven, 2003). In this context, Assad (2007) indicated that the emerging middle class in the Arab World countries (i.e., Saudi Arabia) which is characterised by surplus income and Western-education, has driven Arabic countries to be more consumer societies. Accordingly, the inter-market consumers segments who share patterns of preferences and behaviour across borders have been emerged globally (Samiee and Roth, 1992; Soares, 2004).

4.3. Segments of Consumers across Borders

The efforts that have been made in marketing research to understand consumer behaviour have contributed to develop models of the major influences on consumers internationally (e.g., Papavassiliou and Stathakopoulos, 1997; Luna and Gupta, 2001; Zou and Cavusgil, 2002; Viswanathan and Dickson, 2007). In terms of similarities and differences, their focus is centred on the preferences of consumers in distant parts of the world (Jain, 1989). Clearly, the developed models in this context have been criticised for some limitations (e.g., delimitation of some variables like economic and behavioural factors), which have made them complicated to put in practice (Luna and Gupta, 2001). Accordingly, the international marketing activities has not been accompanied by systematic study of the differences in buyer behaviour in various countries, as the task of proposing an integrating framework for such issue offers considerable difficulties (Soares, 2004).

The researchers who view consumer wants and needs as being homogeneous argue that the standardisation of some marketing activities, like advertising, is more effective as it allows for the lowering of costs via economies of scale (Ryans *et al.,* 2003). This can be ascribed to the idea that the groups of consumers in different countries may have more in common with one another than with other consumers in the same country (Ozsomera and Simonin, 2004). For instance, a study of teens from 25 countries showed that

teenagers around the world not only tend to dress alike, but also they are very similar in the things they enjoy. They watch many of the same shows, the same movies, videos and music (Tully, 1994, cited in Blackwell *et al.,* 2006, pp.63-64). However, such similarity is not new as Elinder (1965) indicated that the great differences that still exist between different parts of the world (e.g., East and West and North and South), are likely to be overlooked.

Likewise, a study on 401 Consumers from Saudi Arabia, Kuwait and the UAE found thriving consumer segments that transcend national boundaries of Arab countries and which share similar needs and preferences (Souiden, 2002). However, this can be attributed to the fact that, despite the Arab insularity, there is a notable deep rooted convergence between Arabic speaking countries. Also, Souiden (2002) has mentioned that some multinational companies have realised this and, therefore, they tend to standardise their marketing plans to each segment across these Arabic countries.

Segmentation is an important issue, because it helps companies to improve their marketing effectiveness; it can lead to more satisfied customers, improved competitiveness, increasingly efficient resource allocation and better-designed marketing programmes (Lindridge and Dibb, 2002). Moreover, with increasing competition in the global marketplace, international segmentation has become an ever more important issue in developing, positioning, and selling products across national borders (Hofstede *et al.,* 1999). Here, the international companies may target a certain inter-market segment which consists of similar clusters of customers and extends over the country's borders (Samiee and Roth, 1992). This kind of segments, however, is also called the global segment (e.g., Dawar *et al.,* 1996)

The emerged global segments have produced important insights regarding the understanding of consumer behaviour cross-nationally (Soares, 2004) and one of these insights is global culture (Alden *et al.,* 1999). Its members are characterised by higher levels of education and they use the available means of travel and communication to be more connected with the world both physically and virtually (Dawar *et al.,* 1996; Bird and Steven, 2003). However, in societies where a traditional orientation is prevalent, the aspects of global culture are too limited.

74

According to Wills, Samli and Jacobs (1991), marketers who face such a situation have to develop a strategy based on the target culture. Here, the nature and degree of consumer involvement (e.g., high involvement; food, low involvement; credit cards) are important factors in such strategy (Quelch and Hoff, 1986; Soares, 2004). However, cultural considerations play a crucial role in the marketing of global consumer products. In this context, a modified product, could lead to higher sales in each major market, and the additional revenue may more than cover product and advertising modification costs (Kotler, 1986).

Generally speaking, the consumer personal usage products (e.g., food products, clothing and jewelry) appear as culture-bound products. Such products clearly require major local adaptation in marketing mix more than the ones that are likely to be culture-free ones (e.g., Coca-Cola and digital cameras) (Sahay, 1999; Kotler, 2005). Products, however, will be less culture-bound if they are used by young people whose cultural norms are not ingrained, or people who travel through different countries and share across cultures (Quelch and Hoff, 1986). Nevertheless, marketing managers should be aware of dissimilarities across cultures, as countries can be grouped according to the type of cultural effect (Mooij and Hofstede, 2002).

In this context, Lindridge and Dibb (2002) investigated whether culture can be used to segment the market of brown goods (television sets, video equipment, music systems etc). They selected the category of these products to study the impact of a range of cultural values upon the buying behaviour of 2,100 British Indians and British Caucasians consumers in order to significant differences between them. The findings do little to support the argument that culture is a suitable variable for market segmentation. Furthermore, although a significant difference was found (e.g., British Indians were greater attached to their immediate family more than Caucasians), the amount of similarity between the two groups suggests that culture should not be used as a significant variable in segmentation.

Theoretically, the adaptation/standardisation debate may appear to be managerial issues (Cateora and Graham, 2005). But understating this debate needs empirical studies on cross-culture consumer behaviour (Luna and Gupta, 2001), as the customer homogeneity is a critical factor on standardisation strategy (Viswanathan and Dickson,

2007). Accordingly, it can be said that the issues of standardisation and cultural differences on consumer behaviour are the two sides of the same coin.

The homogeneity of consumers within countries embodies a debatable issue in recent years (Theodosiou and Katsikeas, 2001; Griffith *et al.,* 2002; Ryans *et al.,* 2003; Viswanathan and Dickson, 2007). In this context, marketers need to explain what the meaning of consumer homogeneity is. Does it mean that consumers are demographically similar to each other, or does it mean that there is a similarity in wants and needs, or does it mean similarity in perceptions of brand loyalty and risk perceptions? Clearly, the number of variables that one could use to define consumer homogeneity is vast (Viswanathan and Dickson, 2007). However, in the context of the marketing management research, the homogeneity of consumers, mostly denotes to the consumer response toward the marketing programmes (Theodosiou and Katsikeas, 2001; Griffith *et al.,* 2002). The latter definition of homogeneity is quite appropriate for the current research's investigation which focuses on how Libyan consumers respond to the foreign marketing programmes.

As the high homogeneity in the consumer response to the marketing mix across countries, clearly, facilitates the application of standardisation strategy, it embodies one of the significant factors in the global marketing today. The next section previews the factors and circumstances that have contributed to the emerging of global marketing.

4.4. Global Marketing Today

Globalisation is no longer just a nice word; it has an increasing effect on the world business (Ohmae, 1989; Szymanski *et al.,* 1993). Globalise, as a word, means that makes world-wide or universal. In the marketing context, as a term, it denotes the global process of spreading objects and experiences to all corners of the world (Jafari, 2008). Theodore Levitt (1983) was the first who raised this in marketing. He realised that the powerful technology force drives the world toward a converging commonality, which results in the emergence of global markets. According to Levitt (2006), these markets are characterised by standardised consumers and, accordingly, offer benefits from enormous economies of scale in production, management and marketing. Clearly, this idea has contributed to the emergence of global marketing debate.

Cateora and Graham (2005) summarised the substantial revision that the global marketing management has undergone thought. In the 1970s the argument was framed as "*standardisation vs. adaptation*". In the 1980s it was "*globalisation vs. localisation*" or "*Think local, act local*". In the 1990s it was "*global integration vs. local responsiveness*". Recently, the basic issue is whether the global homogenisation of consumer tastes allowed global standardisation of the marketing mix.

It is worth to mention here that some marketing literature has referred to global marketing by the terms of universal marketing (e.g., Dawar and Parker, 1994; LeBlanc and Herndon Jr, 2001) and international marketing (e.g., Aspelund *et al.,* 2007; Yeniyurt *et al.,* 2006). Furthermore, Svensson (2002) discussed the discrepancy of this concept. He indicated that despite the widespread usage of the global marketing concept, it is often used to represent typically international and multinational marketing activities. Also, the concept recognises that there has to be a balance and harmony between marketing activities in terms of issues such as standardisation/adaptation, homogenization/tailoring and similarities/differences. The latter refers to how international marketers would deal with consumers with different cultures from global perspective. Accordingly, in this current research all these three terms are used to refer to the marketing activities (e.g., programmes and mix) that are implemented across countries.

As a consequence of global marketing, marketing literature has discussed the trends that are driving the growth of emerging global culture and its impact on the obsolescence of national cultures from various perspectives. Bird and Steven (2003) have viewed that the responsible forces for the emergence of a global culture are drawn from the globalisation effects (e.g. world trade and telecommunications). However, several factors have accelerated globalisation, such as deregulation, information ubiquity, improvements in infrastructure and reduction of nationalistic barriers (Parker, 1999a; Schuh, 2000). In this context, Usunier (2000) has considered that globalisation is an implicit assumption that people today are all converging towards a modern lifestyle. These forces have contributed to the perception that the world has grown smaller and to the reality of increased interdependence.

An interesting insight for this is that today's world population of almost 6 billion speaks less than 4000 languages, whereas around 1900, it was estimated that 1.5 billion people

spoke approximately 6000 native languages (Davis, 1999, cited in Bird and Steven, 2003, pp.397-398). Furthermore, people today everywhere are more and more able to obtain the information that they want directly from all corners of the world. They can see for themselves what the tastes and preferences are in other countries, the styles of clothing now in fashion, the sports and the lifestyles. Consequently, with such world openness, the old geographic barriers could become irrelevant (Levitt, 1983; Ohmae, 1989). Notwithstanding, converging consumer's tastes and preferences across countries is still debatable in the marketing literature (Mooij, 2003).

Although with such supporting observations of a growing one-world village (McLuhan, 1962), they cannot explain either the emergence of global culture or the degree to which it is being embraced. As marketers enter new international markets in the coming decades, an understanding of how culture influences on consumer behaviour will be crucial for both managers and consumer researchers (Luna and Gupta, 2001). However, there is no doubt that this emerging culture and the world changes have a great impact on the world business (Achrol and Kotler, 1999; Lindridge and Dibb, 2002). For instance, it is obvious that the advent of the internet and intranet has accelerated the process of mining all markets for relevant information. Also, for the features that can be included in new products, which can be found any where on the planet (Parker, 1999b; Sahay, 1999)**.**

In the past, most western companies paid little attention to international trade. Their big market was at home, which was teeming with opportunities. But, today the situation is very different; all kinds of organisations are going more global (Clausen, 2003; Armstrong and Kotler, 2008). With more global influences on consumers around the world, it has been argued that a global marketing orientation is now necessary, and standardisation of the basic marketing elements is fundamental to such a global strategy (Rosenbloom *et al.,* 1997) and, therefore, in many industries, national borders are becoming less important (Steenkamp and Hofstede, 2002). Furthermore, the evidence drawn from the literature suggests that there are valid reasons for international companies to follow the globalisation of marketing (Siraliova and Angelis, 2006). This can be attributed to the fact that these global companies see the world as one market and develop trans-national brands.

In such considerations, companies have to answer some basic questions about the target position in their markets, the global competition, and their strategies around the world (Armstrong and Kotler, 2008). Therefore, global marketers must be watchful for ways to compete effectively in multiple countries while simultaneously controlling costs (Dawar *et al.,* 1996). Unfortunately, this task is combined with increasing competition in world economies which requires them to develop effective global strategies to achieve a sustainable competitive advantage in international markets (Theodosiou and Katsikeas, 2001). For some companies, entering foreign markets is a necessary evil, as if they stay in their domestic market to play safe, not only might they lose their chance to enter other markets, but also risk losing their home markets (Armstrong and Kotler, 2008). However, acquiring a global perspective requires prior planning and organisation (Cateora and Graham, 2005). Furthermore, companies that go to global markets may face highly unstable governments, currencies and high trade barriers.

In this context, Levitt (1983) argued that multinational firms should seek to target consumer segments which span the globe, and then benefit from the scale economies of global branding. Farley and Lehmann (1994) similarly have argued that markets do not abruptly change when borders are crossed; they support this argument with empirical evidence of similarity in international market response to equivalent marketing efforts. Clearly, this supports an increasingly accepted view that international marketing campaigns can often be standardised to a great extent without alienating local consumers (Dawar *et al.,* 1996). However, the circumstances of global markets in the past two decades have created both new opportunities and new problems (Armstrong and Kotler, 2008). Therefore, the most important challenge that the international marketers face is how to design their global marketing programmes.

4.5. Deciding on the Global Marketing Programme

Despite the common marketing commandment today is "*be global!*" not all companies need to venture into global markets to survive (Armstrong and Kotler, 2008). However, the decision of being global depends on several factors, such as the threats in the home market, and the profit opportunities that the international markets might include (Parker, 1999a). Also, when the product – that is targeted to be launched globally – is not highly culture bound, it will be easier to market globally than others (Quelch and Hoff, 1986; Kotler, 2005). Furthermore, the level of consumption orientation in different markets is

an important cross-cultural factor that companies should consider in developing international marketing strategies (Peter and Olson, 2008).

4.5.1. How to Target International Markets

As mentioned in chapter two, the process of marketing management consists of three stages; strategic, tactical and administrative marketing. The first starts with segmentation and includes the tasks of targeting and positioning (Kotler, 1999). Clearly, the traditional international segmentation methods appears inadequate to the globalisation reality and, therefore, the questing for a global segmentation and targeting approach became an important topic in international marketing research.

Marketers should avoid the trap of focusing on a country as the primary segmentation variable, because the framework marketing management (e.g., R, STP, MM, I and C; Kotler, 1999) and environment variables such as political, economic, cultural, climate, language groups, media habits, age and income should be used for international market segmentation (e.g., Baalbaki and Malhotra, 1993; Cateora and Graham, 2005). Taking into account both the framework and variable would contribute to well identification of segments that could be targeted with a uniform marketing strategy (Soares, 2004).

In this context, Hofstede, Steenkamp and Wedel (1999) have identified different types of international target market selection and differentiation strategies. First, one option is to develop specific products for specific segments. Second, a single segment may be targeted by a bundle of products (market specialisation) to pre-empt competitive efforts and capture the variety-seeking tendencies of consumers. Third, basically the same physical product can be developed for multiple segments. When a company has sorted out the target market selection, marketers should take decisions on the mode of entry.

Selecting the most appropriate modes of entry in the different countries is one of the most relevant strategic decisions that a company must adopt during its global process (Quer *et al.,* 2007; Reiner *et al.,* 2008). Kotler (2003) suggests that companies have four different modes of foreign market entry which are exporting, contractual agreements, strategic alliances and foreign direct investment (FDI) (Cateora and Graham, 2005).

Marketing literature investigates the mode of entry decision and the perceived risk as interactive variables (Forlani *et al.,* 2008). For example, when companies perceive high

uncertainty levels in the target country, they prefer the mode that provides high control like full-ownership FDI (Taylor *et al.,* 2000; Brouthers and Brouthers, 2003). Conversely, some research indicates that global companies tend to apply the lower levels of entry like exporting or indirect entry, when they intend to penetrate the markets of the developing countries (Schuh 2000; Griffith *et al.,* 2002). Clearly, such companies prefer the lower level to avoid international risk within an environment characterised by a high level of uncertainty. They search for flexibility that enables them to modify decisions and benefit from the local support in order to have access to resources (Quer *et al.,* 2007), or even leave the country market with minimum loss.

However, the decision of entry mode is influenced by other factors such as the size of the firm and the nature of industry. Furthermore, the position of marketing function in the firm also affects the decision. Forlani, Parthasarathy and Keaveney (2008) have supported this notion through an online survey on 95 executives of the US business that entered the Japanese market. They investigated the relationship between *best entry mode* and the marketing function. Their results showed a significant relationship between increasing levels of ownership in managers' assessments of *best entry mode* and their beliefs about the criticality of controlling the marketing function. Additionally, they concluded that the managers tend to perceive the best risk-return situation to be mixed-ownership entry modes, and delegate the marketing function to the local agent/partner.

The significant role which is played by cultural differences between target counties' markets in determining the suitable mode of a company in the foreign markets should also be mentioned. A study on 471 Spanish enterprises indicated that a greater culture differences reduces the likelihood of using entry strategies that imply a high resources commitment level. The higher-commitment formulas are used by Spanish enterprises when they enter culturally closer areas, such as Europe or Latin America. The researchers ascribed this to the firm's preference for collaborating with local agents after seeing the difficulties to apply its own routines in a culturally distant target country (Quer *et al.,* 2007). Clearly, the issue that dominates such situation is the convergences and differences between consumers across foreign markets.

Furthermore, a key challenge for a company would be how to effectively deal with the structure of heterogeneity in consumer needs across borders in aiming to target them

(Levitt, 1983; Quelch and Hoff, 1986; Jain, 1989; Steenkamp and Hofstede, 2002; Soares, 2004). These differences, mostly, have been considered as a market segmentation variable (Lindridge and Dibb, 2002). In any case, it seems clear that whatever marketing approach that a global company adopts, the existence of market segments that transcend national boundaries should not be neglected (Soares, 2004). However, a standardisation strategy would be more effective when the marketers take consumers across countries themselves, rather than countries, as the basis of identifying the segment to serve (Jain, 1989; Griffith *et al.,* 2002).

4.5.2. Designing a Marketing Programme

As discussed, companies who intend to enter foreign markets mostly aim to achieve the benefit from the enormous economies of scale in production, distribution, marketing, and management (Levitt, 1983). Obviously, this produces a tendency in marketing departments to adopt the standardisation perspective. For instance, using interviews with managers of corporate or regional headquarters, Schuh (2000) observed that six out of the eight cases in his research showed a high degree of marketing programme standardisation. Moreover, most of the adjustments in the marketing programme were, mainly, among the non-core elements in a minimum level and to meet legal requirements, such as labelling content and package design.

Broadly, with any adopted perspective (standardisation or adaptation) marketing strategy has two aspects; *programme* and *process.* According to Jain (1989), "programme" refers to various aspects of the marketing mix (e.g., product design, product positioning, brand name, packaging, retail price, basic advertising message, sales promotion and media allocation) and "process" implies tools that aid in programme development and implementation. With applying these aspects on the marketing management model (R, STP, MM, I and C; Kotler, 1999), it can be realised that the programme lies between the strategic and tactical marketing tasks, whereas the process is an administrative marketing task. However, Schuh (2000) has referred to that the concept of marketing programme standardisation is understood, in some cases, as using a common product, price, distribution and promotion programme on a worldwide basis. But, as the debate between adaptation and standardisation has been miscast as a dichotomous decision (Rosenbloom *et al.,* 1997), the question that remains is centred on which and to what degree should these elements be adapted or standardised.

Standardisation strategy is not so much an all-or-nothing proposition as it is matter of degree. In a wide-angle view, the decision is a function in trade-offs between the advantages of standardisation and adaptation. In this context, perhaps one of the successful marketing practices is that conducted by LG Electronics. The company had launched its Primian refrigerator for Arabic countries. It includes a special compartment for storing dates, because the dates are their traditional staple fruit which can be spoiled easily. Further, the company has presented gold-plated 71-inch flat-screen television that sells for 80,000 U.S. Dollars in the Middle East market. The company conducted this as a tribute to the Arab states of the Persian Gulf's famous affinity for gilded opulence (Elizabeth, 2005).

Here, it can be realised that a) although the core component of the two products is global, the company provided local aspects to satisfy certain consumers' preferences, b) these aspects targeted two levels; all Arabic countries and the Arab states of the Persian Gulf which can be considered as a sub-segment of the former one. Although LG, in this case, conducted these adaptations to satisfy cultural factors, a company may adapt their products' features to satisfy certain circumstances in some country. For example, the Turkish firm Arcelik marketed an inexpensive plastic twin-tub washing machine in Iraq in the immediate aftermath of the war in 2003 (Ghemawat and Thomas, 2008). This adaptation was to meet specific economic situation.

4.5.2.1. Global Product /Communications Strategies

International marketers must decide the appropriate marketing programme for their foreign markets which satisfy organisational objectives and market needs. Keegan and Green (2005) presented a model of strategic marketing communication alternatives in global marketing which is commonly used in marketing literature (e.g. Jain, 1989; Millar, 1989; Samiee and Roth, 1992; Rosenbloom *et al.,* 1997; Theodosiou and Katsikeas, 2001; Kotler, 2003; Powers and Loyka, 2007).

According to this model, a company can produce a regional version of its product, such as Middle Eastern version as discussed above in the home appliances market. Furthermore, the company can go deeply to modify its product according to cities or even districts. However, international marketers, in some instances, may need to adapt their products locally to superstitions or beliefs. The example that illustrates the latter is

McDonald's marketing mix in dealing with Muslims and Jews. They have been compelled to serve Halal meat in Islamic countries and Kosher in Israel (Vignali, 2001).

In terms of promotion activity, some international marketers adopt the same marketing communication mix that they used in the home country. However, even in highly standardised promotion campaigns, some adaptations might be required to meet cultural differences. For example, French perfume companies in the Arab World often run different versions of their advertising, with *fully* dressed women (Boulby and Laroche, 2000). This can be ascribed to the Arabs' attitudes toward sensuality.

Alternatively, a company might follow the strategy of 'communication adaptation' in foreign markets, which requires a full adaptation of their advertising message along with media selection according to its availability and effectiveness in the target country. A company might have no choice except to change their advertising message. For example, a company like Dulux paints would have difficulty in transferring their promotion campaign to the Arabic speaking countries unless they change their advertising message that includes dogs. This is because dogs are seen as dirty animals by Muslims (Melewar *et al.,* 2000)

4.5.2.2. Pricing Strategies

The previous Keegan and Green's (2005) model presents the potential strategic alternatives in terms of the product and promotion. But the decisions of international marketing programmes deal with the other elements of marketing mix which are not included in the model. Theodosiou and Katsikeas (2001) showed that the international pricing strategies depend on the level of similarity between home and host countries in terms of customer characteristics, legal environment, economic conditions, and stage of the product life cycle.

According to Kotler (2003), companies have three choices to set their prices in different countries. First, set a uniform price everywhere, which would result in quite different profit rate in different countries and, consequently, the price being too high in poor countries. Second, set a market-based price in each country. The key disadvantage in this is neglecting the differences in the actual cost from country to country, which would result in uncontrollable reshipping the product to the high-price countries. Therefore, the third choice is to set a cost-based price in each country, but this strategy

might have a negative effect in countries where the product costs are high. However, purchasing transactions have been changed over the world, contributing to harmonising global pricing. For instance, the Euro, as the official currency of the European Union, has reduced the amount of price differentiation. Similarly, online purchasing and credit cards enable consumers to buy the product directly from the company or dealer offering the lowest price. This also forces firms toward more standardised international pricing.

4.5.2.3. Global Distribution Channels

Some marketers think that their task is done once the product leaves the factory, and they take the decisions of pricing and promotion while they should be watchful toward their products move across borders. However, also relative to other areas of marketing, the international distribution issues have been slightly neglected in marketing literature (Rosenbloom *et al.,* 1997).

Generally, international marketers prefer to work with local distributors when they first enter a country, as they consider them well-knowledgeable about the local conditions. Moreover, the foreign entrant may not have that knowledge, or may not have the flexibility to adapt to these various local preferences. For example, Pepsi Cola might view the Indian market as a single entity in its global marketing programme whereas, to an Indian soft drink producer, it is a number of distinct consumer markets, all with different preferences (Dawar *et al.,* 1997).

However, some international firms complain that the local distributor does not invest in business growth and follow a firm's policy, nor share enough information. Similarly, local distributors complain of insufficient support, impossible goals and confusing policies (Arnold, 2000). These two parties' complaints reveal that there is a missing link in the chain, which is the comprehension of local circumstances from global perspective and vice versa. Unfortunately, there is no panacea to resolve these conflicts. Therefore, international marketers must select an appropriate distributor based on in-details research and invest in them, then set up performance goals to which they can agree (Rosenbloom *et al.,* 1997; Kotler, 2003).

In this context, and based on the same idea of the previous Keegan's model, Rosenbloom, Larsen and Mehta (1997) presented a model for global distribution. They addressed that the key decision areas of global distribution strategy are the design of the

marketing channel and the management of the marketing channel. These two areas (design and management) can be adapted or standardised depending on the target market conditions. However, although this model provides firms operating in global markets with a basic starting point for developing and managing their distribution channels, in marketing practice, the implementations of these strategies are quite complicated. Also, as the model depends on Hall's (1990) taxonomy of culture which is limited by two dimensions (low-context/high-context culture), the communications across cultures may be more greatly complicated than model illustrates.

Additionally, the decision of the global distribution strategy is a function with many factors. The pricing problem has important effects on profitability and long-term relationships with distributors, because the different pricing practices in two countries' authorised channels may cause an unauthorised channel to emerge (gray markets). This, in return, will alter sales and profits in the authorised channels (Yang *et al.,* 1998). Additionally, a cost-benefit approach embodies serious consideration and the firm's experience in other markets may govern direction for channel change (Griffith and Ryans Jr, 1995). Furthermore, some researchers indicated that the role of norms in the control of global channels of distribution is an important consideration for marketing managers. This is because of these norms providing the daily standard operating procedures for the global network of relationships in the distribution channel (Harvey and Novicevic, 2002). In general, however, the developing global distribution channel is a continuous process, within numerous interactive factors relating to finance, marketing and administration considerations.

This may reveal that international marketers consider the marketing programme as one unit. In other words, this means that the adopted degree of standardisation in one component of the marketing mix (e.g. price) should be the same on the others (e.g. product, promotion and distribution). However, international firms can adopt various degrees of standardisation to different components of marketing programmes. Also, the influence of potential external factors on the marketing strategy is different from element to another. Chung (2009) has indicated that both the cultural and economic environments are positively associated with the choice of product adaptation strategy, whereas no significant relationship was identified regarding the promotion element. Some literature has debated that the appropriate degree of standardisation, for most

products, varies from one element of the marketing mix to another. Here, strategic elements like product positioning are more easily standardised (Quelch and Hoff, 1986).

Similarly, Siraliova and Angelis (2006) considered that the basic product, brand names and advertising messages are more likely to be standardised than packaging, pricing, promotion, and distribution which need to be adapted. Also, a survey among brand managers in firms operating in Canada supports this. It revealed that brand standardisation was practiced to a much higher degree than advertising standardisation, with the most used combined strategy involving brand name standardisation and non-standardisation of advertising. Furthermore, the findings clearly indicated that companies tend to "brand globally, advertise locally" (Sandler and Shani, 1992).

However, in the reality of marketing practice, the picture may be slightly different, because of the global marketing, chiefly, depends on the relative extent to which the degree of standardisation is desirable and feasible (Rosenbloom *et al.,* 1997). For example, a study on more than 2,000 Korean and US television commercials revealed that cultural differences were the reason beyond producing different television advertising between countries. This was in order to facilitate the supervision of advertising for the international advertising managers in Korea and the US (Miracle *et al.,* 1992). Further, some researchers have reported that the culture context should also be considered in global product decisions and marketing strategy (Wills *et al.,* 1991).

Conversely, Szymanski, Bharadwaj and Varadarajan (1993) investigated the standardisation of the pattern of resource allocation among marketing mix across national markets in terms of similarity or dissimilarity across the U.S., U.K., Canada and Western Europe. Their findings suggest that a multinational business that employs a similar pattern of marketing mix when serving the U.S., U.K., Canadian and Western European markets would find that the standardised approach evokes similar performance responses in these Western markets. However, similarity of behaviour response patterns and preference structures enables a firm to gain economies of scale by standardisation strategies. But, if a firm were to approach two widely divergent market segments with the same advertising message and packaging, differences in the underlying consumer preference structures and response patterns would make them ineffective. This is because the advertising message and packaging would not match the needs of each market (Griffith *et al.,* 2002).

87

The challenge facing international marketing managers is to decide which marketing mix elements they should standardise or adapt, under what conditions, and to what degree (Jain 1989; Theodosiou and Katsikeas 2001). Therefore, when they face such a decision on standardisation and adaptation issues, they need sufficient market research and an appropriate model to be able to formulate marketing programme. Generally speaking, the global marketing approach provides two strategic options to firms. First, a firm can adapt its marketing programme to the characteristics of each culture. Second, a firm can standardise its marketing programme across a variety of cultures (Peter and Olson 2008).

Johansson and Yip (1994) have also developed a model of global strategy. The model was designed to explain why American and Japanese Multi National Companies (MNCs) might differ in their perceptions of industry globalisation potential, in their desired global strategy response, in their organisationally derived ability to implement global strategy and in their resulting performance. The instrument that was used is interviews with senior executives at 36 worldwide businesses belonging to some of the largest American and Japanese MNCs. The results showed that the Japanese firms have more globalised strategies than do the Americans, and that this factor affects their performance favourably.

It is clear that from the discussion above that the decisions of the marketing programme in terms of standardisation and adaptation are dependent on many variables, such as product, firm's resources, profit opportunities, market conditions and consumer characteristics (Yip, 1989; Jain, 1989; Theodosiou and Katsikeas, 2001; Soares, 2004). Therefore, the standardisation and adaptation issues in global marketing are still under the spotlight of marketing research and practice alike (Griffith *et al.,* 2002). Moreover, the extent to which the elements of the marketing programme should be standardised across markets, or adapted, in order to accommodate different foreign market conditions, requirements and preferences has received focal research attention at both the conceptual and the empirical level (Theodosiou and Katsikeas, 2001).

4.6. Adaptation Stet

Anyone who browses through the pages of marketing literature will realise that the standardisation perspective is the contemporary one in the debate, because it has been

produced from the technological and global effects. Furthermore, the literature has indicated the positive relationship between rapid changes in technology and global standardisation (e.g., Samiee and Roth, 1992). The debate has passed through some stages, from the black and white view, with the fundamental question of whether the global homogenization of consumer tastes allowed global standardisation (Sandler and Shani, 1992; Cateora and Graham, 2005), until the question about which elements of the marketing strategy should be standardised, and to what degree (Samiee and Roth, 1992; Shaw and Richter, 1999; Siraliova and Angelis, 2006).

Over the last four decades, the standardisation versus adaptation debate has dominated the international marketing literature including consumer behaviour research, and this debate is still very active (Soares, 2004; Siraliova and Angelis, 2006). Rosenbloom, Larsen and Mehta (1997) have considered that the standardisation perspective has often been viewed as an efficient strategy for global marketers while others have argued for relative merits of adaptation since the early 1960's. However, some scholars favoured the perspective that consumers were converging (e.g., Levitt, 1983; Ohmae, 1989; Yip, 1989) where marketers adopted the combination of common segments in different country markets to designate the target market (Jain, 1989; Siraliova and Angelis, 2006).

However, opponents to standardisation believe that culture maintains a powerful influence on buying behaviour, and that the apparent homogeneity of preferences might hide differences in several aspects of consumer behaviour (Walters, 1986; Belk, 1996; Manrai and Manrai, 1996; Viswanathan and Dickson, 2007). This should not neglect significant elements of the local culture such as language and religion which are still intact and quite visible in the global landscape (Usunier, 1996). However, the debate is still alive, and remains unresolved. Some scholars have attributed this to the lack of underlying theoretical framework (e.g., Ryans *et al.,* 2003). Further, there are some elements in the marketing programme have received much less attention, such as brand standardisation (Sandler and Shani, 1992), distribution of global markets (Rosenbloom *et al.,* 1997) and pricing strategy (Theodosiou and Katsikeas, 2001), whereas much attention has been focused on the product and promotion elements (Jain, 1989; Shaw and Richter, 1999).

However, producing an integrated framework of all marketing programme's elements would take a long time and enormous amount of effort. Clearly, this should be made by

researchers and executives simultaneously as the decision of programme standardisation has to include many variables along with the marketing mix such as financial performance, competitive and implementation aspects (Schuh, 2000; Sustar, 2005). Also, marketing programme standardisation has a positive relationship with other factors such as centralisation and customer similarity (Ozsomera and Simonin, 2004). Undoubtedly, the rapid changes in technology and greater emphasis on capacity utilisation favour global programme standardisation, especially where marketing infrastructure is well developed (Reichel, 1989; Schuh, 2000).

This has driven some MNCs to benefit, substantially, from standardisation via cost reductions. Siraliova and Angelis (2006) showed that managers of MNCs indicate marketing programmes as being more standardised in the Baltic region than globally or in one particular country, but less standardised than in the Central and Eastern Europe (CEE). The researchers investigated most elements of marketing programme in these regions. The collected data does not support the hypothesis that MNCs operating in the Baltic States adapt their marketing programmes in the region. Nevertheless, some of the respondents pointed out that product instructions are translated into the local language. Also, the package design and product names are sometimes changed to meet some cultural and legal requirements.

One particularly interesting insight was in the finding that there was a slight difference in the degree of standardisation viewed by managers and customers, as managers view marketing programmes as being more standardised than customers view them. This was justified by the fact that the people in the Baltic region are looking for a Western experience, and perceive themselves as an integral part of the United Europe. Thus, they potentially accept occurring standardisation and still view marketing programmes as being more adapted than standardised. This, however, can be also attributed to the emergence of a global modern culture and the convergence of local cultures. Nevertheless, it cannot replace national cultures (Usunier, 2000; Bird and Steven, 2003).

In this context, Shaw and Richter (1999) conducted a study of the marketing mix standardisation of the top 500 German and British companies. They revealed that whilst British and German companies generally standardise their marketing mix activities to a high degree, there are a number of differences between the two countries. British companies were found to standardise aspects of their marketing mix to a greater degree

than their German counterparts. However, the study did find that there is a generally high degree of standardisation across all elements of the marketing mix. Similarly, a study that surveyed 298 exporting firms in Slovenia discovered that the strategies of marketing standardisation that were adopted by managers of Slovenian firms, is similar to those adopted strategies by most of the firms from other countries (Sustar, 2005).

As mentioned above, the tendency of the global firm towards standardisation perspective has been produced by the tenet that people want to buy the *best* and *cheapest* products, no matter where in the world they are produced. Accordingly, people become genuinely global consumers (Ohmae, 1989). This tendency has faced a contrary view which considers that differences in consumer behaviour and cultures have been identified as forming a key tenet of market programme (Lindridge and Dibb, 2002).

Consequently, the debate, in recent years, has centred on the pros and cons of pursuing a strategy of total standardisation across countries versus complete adaptation to individual markets (Szymanski *et al.,* 1993). Therefore, the next lines preview the strengths of the both marketing perspectives that marketers are supposed to utilise. However, standardisation, in particular, does not mean marketing by averages or mean that all tastes run together into one amorphous mass of universal appeal. Also, it does not mean that the appeal of operating globally removes the obligation to localise products. The truth is a bit more subtle (Ohmae, 1989). Hence, the next two sections do not deal with the debate in terms of the favour of standardisation, or in favour of an adaptation approach, but they focus on a contingent framework that suggests degrees of standardisation (Viswanathan and Dickson, 2007).

4.6.1. Why Standardisation?

As mentioned earlier, most marketing literature has stated that standardisation is a more attractive strategy if markets are viewed as relatively homogeneous, while adaptation becomes necessary if they are viewed as heterogeneous (Rosenbloom *et al.,* 1997). Clearly, this is the key tenet that governs the adoption of one strategy; along with how it will serve the firm to achieve its marketing goals. Proponents of a standardisation approach argue that world markets have become more homogeneous and that a standardised approach can generate advantages through economies of scale and greater efficiencies (Levitt, 1983; Ohmae, 1989). The economic of scale is one of the most observed and measurable benefits that standardisation can provide. Obviously, when

using a similar marketing programme in multiple countries, economies of scale will lead to a reduction in the average costs of marketing activities (Quelch and Hoff, 1986; Schuh, 2000; Steenkamp and Hofstede, 2002; Blackwell et al., 2006; Peter and Olson, 2008). Further, standardisation strategy allowed companies to use universal or regional media (e.g., pan-Arab media; Melewar *et al.,* 2000) which enables global companies to better control and facilitate cost reduction due to economies of scale in their marketing programmes.

A majority of firms stated that a standardised approach provided a consistent image across markets. In addition, these firms felt that standardisation allowed companies to use pan-Arab media, enabled better control over quality and facilitated cost reduction due to economies of scale in advertising production.

Further, the standardisation could serve the company in the introduction of new products in international markets (Samiee and Roth, 1992), the presentation of a consistent image across markets (Harvey, 1993) and better coordination and control of global operations (Theodosiou and Katsikeas, 2001). However, the key point to note here is that the consumers' preferences across the world have changed and seem to have a tendency to be more Western. Many product ideas from the US, for example, have been adopted in Europe, and nowadays are just as common as they are in the US. Therefore, the marketing of these ideas becomes more and more global (Reichel, 1989)

Over all, the merits of global marketing standardisation connote to the economics of scale in production which can be an important marketing competitive advantages for global companies. Further, standardisation contributes to the transfer of experience across countries through improved coordination and integration of marketing activities. Moreover, the marketing standardisation provides diversity of markets, by spreading the portfolio of markets served brings an important stability of revenues and operations to many global firms (Cateora and Graham, 2005).

However, the decision to adopt the standardisation strategy can be framed in the question of under what circumstances can a company sell its products in foreign market(s) without changing product, promotion, price or place and earn a good return (Kotler 1986). It can be said that the loyalty of international marketers is toward the marketing programme that enables them to answer this question. This programme lies

between the highest degree of standardisation and adaptation. Consequently, marketing managers seek to implement the global marketing that combines the benefits of standardisation (e.g., lower costs, better quality) with the benefits of adaptation (e.g., close to needs of consumers) (Steenkamp and Hofstede, 2002). Also, many companies use an in between approach; standardising their basic marketing strategy, but localising the communication mix to fit each market (Belch and Belch, 2007).

4.6.2. Why Adaptation?

Contrary to the standardisation perspective, some marketing literature has stated that marketing strategies for one country cannot be extended to other countries without adaptation. They have ascribed this to the assumption that the differences in national culture across countries produce divergent consumer behaviour that needs adapted marketing offerings (Mooij and Hofstede, 2002). Marketing managers should be mindful toward this, as when a product with the same brand name is sold in different countries; it can be difficult and sometimes impossible to sell them at different prices for example (Quelch and Hoff, 1986). Therefore, some global companies adopt their marketing activities to local tastes. This, certainly, requires some prior tasks such as managing decentralising marketing activities (Cateora and Graham, 2005) and cooperating with local representatives (Solberg, 2000).

International marketing can be tailored to unique characteristics with resultant enhanced consumer satisfaction in different cultures (Wills *et al.,* 1991). When the market programme is adapted and tailored according to specific need of local consumers, then it can give an advantage to increase market share and profitability (e.g., Lindridge and Dibb, 2002; Steenkamp and Hofstede, 2002; Peter and Olson, 2008). Furthermore, some of the notable international product successes have come from product adaptation. Philips, for instance, began to earn a profit in Japan, only, after it had reduced the size of its coffeemakers to fit in the smaller Japanese kitchens (Kotler, 1986). This because even in countries that are apparently culturally similar, such as the European Union (EU), differences in customer needs continued to persist and there were still differences in the criteria that consumers used to make decisions (Viswanathan and Dickson, 2007).

In this context, some American companies in the EU tailor their products to local needs and tend to adapt their advertising to the local market (Siraliova and Angelis, 2006). However, the differences between the EU and USA are easily observed. For example,

the differences in the houses' size between USA (large) and Europe (small), Europeans tend to want physically small products (e.g., high-performance equipment) that can be hidden in a closet, whereas Americans prefer large one (e.g., giant speakers) that rise from the floor of living rooms (Ohmae, 1989).

Although there are some companies would adopt adaptation in achieving more opportunities, some of them implement this perspective as a response to the target market's conditions. Reichel (1989) considered that the successful marketing programmes for Europe market are those that can be adapted to the laws and to the intermediary's preferences. And, understanding of local market conditions in many countries may be a fruitful exercise for management in terms of increase in the level of their knowledge (Solberg, 2000).

From the discussion of the standardisation and adaptation above, the issue can be summarised in two views. The first argues for adapting marketing programme to local cultures. Secondly, argues that cross-cultural differences can be ignored in some cases. Also, between them, many standardisation/adaptation degrees exist. Some marketing researchers (Agrawal, 1995; Michell *et al.,* 1998) suggested that there is a "middle of the road" mix of standardization; as there are similarities as well as differences in global markets, companies can standardise to an extent and then adapt where required (Melewar and Stead, 2002). This perspective holds that a more effective marketing strategy, using a combination of the two approaches can be developed after a careful evaluation of the possible factors that can affect the marketing mix effectiveness in the target countries. For example, according to Agrawal (1995), in such diverse markets as European, Arabic and Latin American countries, BMW used a common advertising theme (i.e., high quality) and at the same time adapt it to the local market conditions depending on each market characteristics (e.g., features in construction, economy and unique suspension system). However, some global marketers adopt a different approach. It is based on the notion that, as marketing is an active part of the culture process and, accordingly, it both changes and is changed by culture, marketing strategies can be developed to influence the culture directly.

Some researchers have indicated that one long-run strategy may be able to change cultural values and behaviour (Defleur and Dennis, 1991; Peter and Olson 2008). Some years ago, Nestlé marketed vigorously to convince mothers in some Third World

countries to change from breast-feeding to using company's baby formula products. DeFleur and Ball-Rokeach (1989) explained that the key technique in this is the theory of persuasion, which can be used to affect the culture in aiming to change some behavioural patterns across world. The theory, briefly, is implemented through the strategy of (1) launching persuasive messages that define, for individual, social behaviour, or the cultural requirements for action. This will govern the activities that the communicator is trying to elicit (2) if definitions already exist, the task becomes redefining those requirements.

Besides the Nestlé's example, this strategy has been used successfully for many decades in the advertising to reshape thinking about a product. When cigarette advertisers realised that half of the population (women) was not buying cigarettes, and if they could redefine the norms to get women to smoke, their sales would soar. Hence, they designed advertising campaigns to get women to take up the habit which was a tough assignment, because – just after World War I – it was widely established stereotype among the public that women who smoked had loose morals. Through such campaigns, they changed this habit successfully, from socially unacceptable to acceptable (DeFleur and Ball-Rokeach, 1989). Also, McCracken (1986) explained how advertising can create symbols and transfer the value of luxury products like automobiles – in past times – into a symbol for the values of natural living.

Consequently, it should be noted that marketing communications can be a powerful tool to shift or reshape some behavioural patterns through cultural manifestations (Luna and Gupta, 2001). However, whichever approach a firm adopts, there are internal and external factors that play a significant and interactive role in shaping the marketing programme across countries.

4.7. Potential Factors in the Degree of Standardisation

When a company decides to target market(s) abroad, it might face various environmental factors, such as government regulations, climate and competition. These factors could push the company toward more international customisation (Kotler, 1986). Further, culture plays a significant role in decision making. For example, in many ways, Japanese MNCs apply a different perspective than the North American MNCs as they seek markets across national boundaries (Jain and Tuckert, 1995). Therefore,

identifying the conditions that affect the implementation of an international strategy has become the main focus of the standardisation debate, both conceptually and empirically (Soares, 2004).

The literature has discussed numerous factors that have an effect on the global marketing strategy. As illustrated in Figure.4.7, marketing researchers (e.g. Kotler, 1986; Jain, 1989; Samiee and Roth, 1992; Zou and Cavusgil, 1996; Papavassiliou and Stathakopoulos, 1997; Rosenbloom *et al.,* 1997; Solberg, 2000; Theodosiou and Katsikeas, 2001; Siraliova, J and Angelis, J 2006) have provided a classification for these factors which can fall into four broad categories: (1) macro-environmental factors, including economic, legal, cultural, physical, and demographic (2) micro-environmental factors, such as the structure and nature of competition, customer characteristics, attitudes and behaviour (3) firm-specific factors, including the degree of centralisation in decision making, the relationship between headquarters and local subsidiaries corporate orientation and the firm's experience in international operations (4) product and/or industry factors, such as the nature of product, stage of product life cycle, cultural specifically of the product and product familiarity of foreign customers. Further, Melewar, Pickton, Gupta and Chigovanyika (2009) studied the factors that influence executive decisions to standardise or adapt international advertising programmes. They revealed that competition, culture and language, education, marketing infrastructure and consumer tests and habits, behaviour and experience were important, in no particular order. However, the standardisation marketing, in some cases, could withstand across different markets. Here, some factors like homogeneity in consumer behaviour and/or in markets environment represent a critical effect (Viswanathan and Dickson, 2007).

In their research on 505 subsidiaries of MNCs from four countries, Theodosiou and Katsikeas (2001) indicated that the extent to which MNCs standardise their international pricing strategies depends on the degree of similarity between a) a firm's home and host markets in terms of economic conditions, legal environment, customer characteristics, and b) stage of product life cycle. An interesting finding was that the level of similarity in the distribution infrastructure between the two markets does not play an important role in the determination of the degree of international pricing standardisation. This can be attributed to the uniform pricing that firms adopt across markets, as a defensive measure against the gray market (imports of unauthorised intermediaries) that are completely out of their control.

However, a key critique here is that these results may be ascribed to the fact that the vast majority of their sample firms originate in the United States, Germany, Japan or another developed nation. Thus, they have considerable economic, industrial and market development. Thus, the researchers might produce quite different results in other different market environments, as more diverse the environments of countries/markets, the more likely a firm is to standardise its marketing activities (Griffith *et al.,* 2002). Conversely, when the environment between the target two markets is different, it would imply that a firm faces a different set of constraints in both markets which makes standardisation strategy is difficult to implement (Viswanathan and Dickson, 2007).

Figure.4.3: Potential Factors in the Degree of Standardisation
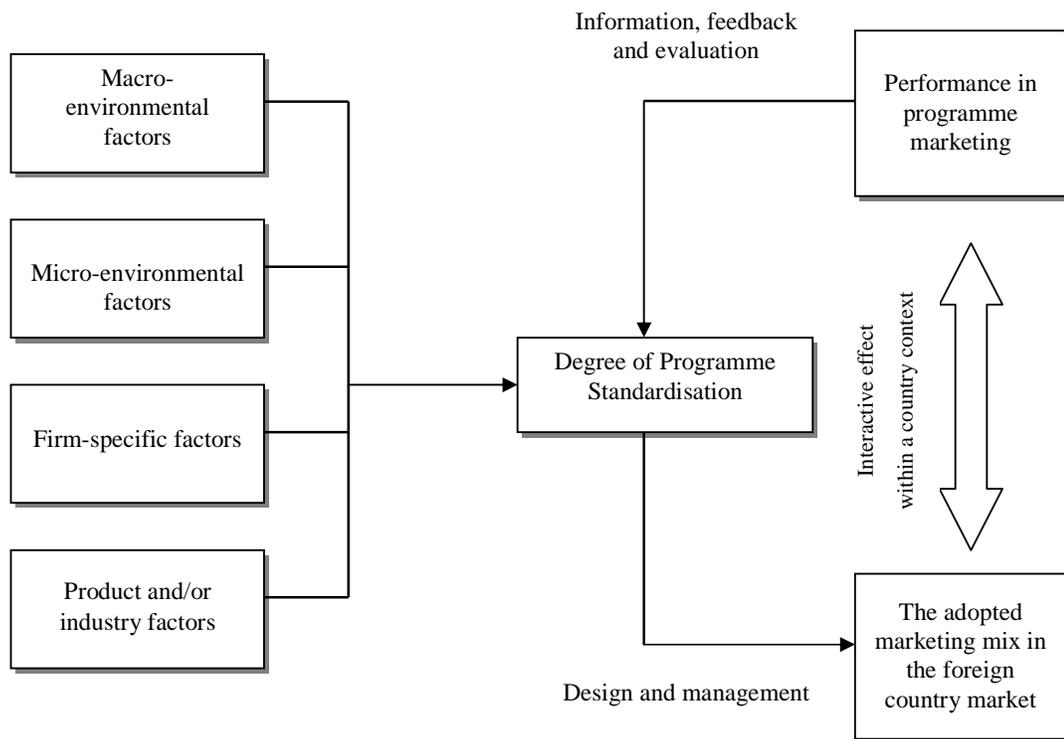
Adapted from:
(Jain, 1989; Zou and Cavusgil, 1996; Papavassiliou and Stathakopoulos, 1997; Siraliova, J and Angelis, J 2006; Viswanathan and Dickson, 2007)

The differences in the business environment are an important concern affecting the feasibility of marketing strategy across countries (Jain, 1989). Therefore, international marketers must carefully analyse the major environmental forces in each market where they compete. These factors are important not only in assessing the potential of each

country as a market, but also in designing and implementing marketing programmes (Belch and Belch, 2007).

Nowadays, global companies operate in the marketplace across the world that is characterised by an increasingly economic, political and social turbulence (Kotler and Caslione, 2009). Unfortunately, there is no single best way to avoid such a situation. One of the key challenges here is to show how a company can build a value system that emphasises seeing and thinking globally (Ohmae, 1989). Some companies hire marketing managers with an international background to achieve such a value system. Also, these managers can reduce the detrimental effects of cultural differences between corporate and subsidiary marketing managers (Jain, 1989). Further, this may spare the management from those disenchanted subsidiary managers who were supposed to have commitment with the local autonomy and to adapt its products to the local environment (Quelch and Hoff, 1986). The company should be watchful toward this, because its competitive position in one country market is significantly affected by its competitive position in other countries (Johansson and Yip, 1994). However, the competition plays a critical role in the development of marketing strategy and, consequently, in decisions on the degree of standardisation of marketing strategy (Viswanathan and Dickson, 2007).

As the degree of marketing standardisation is a function in many factors and the marketing programme consists of many elements, it seems logically that this will evoke a spectrum of degrees for each marketing activity (Griffith *et al.,* 2002). A study conducted on Slovenian firms showed that the standardisation strategy for the international marketing mix is different and largely conditioned by the strategy for product, whereas the strategy of price, distribution and promotion is determined primarily by the degree of strategic standardisation of the marketing mix (Sustar, 2005).

Other researchers indicated that an element of marketing mix might be more dependent on the influencing factors. For instance, marketing channels cannot be standardised as the difficulty due to differing regulations, infrastructure, market characters and the condition of industry (Rosenbloom *et al.,* 1997). In addition, Sandler and Shani (1992) found a significant relationship between the elements of the marketing mix and the standardisation strategy. They showed that the standardisation strategy was used more for durable products, rather than non-durable products, although it tends to be

advertising that distinguishes product category, whereas no significant relationship was found between the strategy and the brand age. Likewise, Siraliova and Angelis (2006) demonstrated a relationship between marketing mix elements, company image and the degree of marketing programme. They concluded that a company that has a strong image can worry less about trying to adapt according to the local market, because their customers are expected to accept its products as it is.

Undoubtedly, the customer is an essential consideration in the decisions of the marketing programme (Viswanathan and Dickson, 2007) and the consumer related determinants are quite important in this context (Melewar *et al.,* 2009). Consumer orientation and preference structures across markets affect the firm to standardise, or adapt its offering (Griffith *et al.,* 2002). Therefore, the degree of marketing programme cannot be studied, unless the variables that relate to consumer behaviour were taken into account. Also, the management tools and mechanism, such as target market selection, choice of entry method and timing decisions should be considered, because they are closely interrelated with the marketing-mix decision, and predetermine the available strategy options and the effectiveness of the marketing strategy.

4.8. Conclusion

In this chapter the issues of consumer behaviour across borders were reviewed. The segmentation in international markets, the decisions of a global marketing programme and their considerations were initiated within this context. Further, the debate of standardisation and adaptation were addressed along with previewing the potential factors that affect the degree of standardisation in the marketing programme.

As discussed in the previous chapter, the consumer buying behaviour is a variable-rich topic. The answer of the question "*why consumers buy*?" requires profound understanding for all integrated and surrounding influences (Blackwell *et al.,* 2006**;** Peter and Olson, 2008**).** As such task is not easy within a country borders, studying consumer behaviour in international markets would be even more difficult (Soares, 2004). This difficulty can be attributed to the two orientations. On one hand, the cross-cultural empirical research has indicated significant differences in consumer characteristics, preferences and purchasing behaviour among different countries (Theodosiou and Katsikeas, 2001). On the other hand, the convergence of cultures, similarity of demand, low trade barriers and technological advances are enabling firms

to sell standardised products using standardised marketing programmes (Ozsomera and Simonin, 2004).

However, it can be said that convergent consumers across different countries' market embody a tempting opportunity for international marketers (Jain, 1989). Here, some global circumstances contribute to the emergence of consumers segments across borders (Souiden, 2002; Bird and Steven, 2003). As the successful segmentation process can lead to more satisfied customers and better-designed marketing programmes (Lindridge and Dibb, 2002), on the international level, it has become a more important issue in developing, positioning and selling products across national borders (Hofstede *et al.,* 1999).

The presence of similar clusters of customers across national boundaries that have the same characteristics (Samiee and Roth, 1992) may imply that it would be well-applicable to target them by the similar marketing programme. However, in marketing practice, the situation is different, where marketers have to take into account many factors, options and alternatives in their decisions of marketing strategy. Nevertheless, the emergence of such segments has increased the pressure on the marketers to market their products internationally because of the intense competition from both domestic and foreign competitors (Belch and Belch, 2007). Accordingly, the international firms have a tendency to follow the globalisation of marketing (Siraliova and Angelis, 2006).

International marketers in such situations have some principle issues to undertake; they are related to how to develop a product for global markets and how far to standardise the marketing programme across countries (Sahay, 1999). Here, although a firm could offer a relatively standardised marketing mix in similar cultures (Luna and Gupta, 2001), the focus on the local preferences may enable the firm to achieve a significant competitive advantage (Dawar *et al.,* 1997). Accordingly, the international marketing decisions lie between these perspectives (Kotler, 2003). Also, the balance and harmony between marketing activities in terms of issues such as standardisation/adaptation, homogenisation/tailoring and similarities/differences represent typically international and multinational marketing importance (Svensson, 2002)

In order to implement this, marketers use a wider spectrum of management tools and mechanisms than the marketing mix. The selection of target market, mode of entry and

timing decisions are closely interrelated with the marketing mix decision. Furthermore, they predetermine the available strategy options and the effectiveness of the marketing programme (Schuh, 2000). Therefore, the programme standardisation/adaptation decisions have to be analysed together with strategic, consumers, cultural and business environment considerations. Moreover, marketers have to decide, with these considerations, which elements of the marketing strategy should be standardised or adapted, and to what degree across international markets (Shaw and Richter, 1999; Siraliova and Angelis, 2006). However, for most products, the appropriate degree of standardisation varies from one element of the marketing mix to another, and strategic elements like product positioning are more easily to standardise (Quelch and Hoff, 1986). Also, a certain product is easy to sell in standard form any where in the world like Coca-Cola, whereas other products, such as furniture, may require major local adaptation (Kotler, 2005).

Consequently, the programme standardisation decision should be analysed together with these other strategic marketing decisions (Schuh, 2000). The next chapter presents the conceptual framework of the current research, including all the research themes that were discussed above and previously in chapter 2 and 3.

5. CHAPTER 5: CONCEPTUAL FRAMEWORK

> *``strong theoretical and conceptual frameworks are needed, integrating constructs from the different research traditions and disciplines'' (Douglas et al., 1994: 300)*

5.1. Introduction

Based on the literature review, this chapter describes a set of broad ideas and previews the research concepts in order to make them easy to communicate to each other. Using insights from the marketing literature (e.g. Jain, 1989; Papavassiliou and Stathakopoulos, 1997; Hawkins *et al.,* 1998; Noble and Mokwa, 1999; Schuh, 2000; Vida and Dmtrovic, 2001; Chandran and Morwitz, 2005; Viswanathan and Dickson, 2007), a framework is designed to serve as a guideline for this current research. The purpose of the framework is to identify relevant factors that are likely to affect consumer buying behaviour and marketing programme standardisation.

The framework is built on three considerations that are derived from the sets of variables of consumer behaviour, marketing programme and potential factors on marketing strategy which influence on the degree of standardisation. First, consumer buying behaviour is a function of many internal and external factors that have interactive effects (Hawkins *et al.,* 1998). Second, the marketing programme decision is not a dichotomous one between complete standardisation and complete adaptation; rather it includes different degrees (Quelch and Hoff, 1986). Third, the numerous relevant internal and external factors have a circulatory effect on the decision of marketing programme in terms of the degree of standardisation (Jain, 1989; Viswanathan and Dickson, 2007). In this chapter, the conceptual framework (Figure.5.8) illustrates the areas of these three dimensions as well as the interactions with each other. Furthermore, the used measurement model specification of this research is discussed and identified

5.2. Consumer Buying Behaviour

In the past marketing literature, marketing concept was centred on the singular focus of market, and then it shifted to the focusing on the product. According to Keegan (2004), the contemporary concept of marketing has moved beyond the old concept and concepts of the twentieth century to the *strategic concept*. The idea here is that everything matters in marketing, not only the product and the customer, but everything in the

external environment including the competition, technology, government and culture. Also, everything that the company controls, whatever if it was the four Ps or the extended marketing mix (7P's), or even any other marketing approach, as perceived and experienced by the customer. Companies that implement this concept of marketing are market driven and driven by everything that matters to their customers. Accordingly, the significant role of consumer behaviour in marketing strategy can be realised, and this is also applicable on international marketing. In the particular case of this current research, which is discussed in Chapter 2, the traditional marketing mix (4Ps) appears as an appropriate framework to adopt in studying the actual foreign marketing practices, and their influence on consumer buying behaviour. It is, therefore, possible to hypothesise the following:

- *The Libyan consumers' responses toward 4P's can predict their buying behaviour*

(***Hypothesis 1***)

As discussed in Chapter 3, consumer behaviour is influenced by different factors; some being internal factors, other being external. The internal factors are based on some ingredients that are aggregated into the consumer's sense of self. These variables are called *individual characteristics*, also known as buyer personal, demographical characteristics such as age, stage in life cycle, number of children, socioeconomic status and occupation. Some studies showed that such characteristics have a strong influence on consumer behaviour, and contribute in shaping of consumer opinions (Dawar *et al.,* 1996, 1997). Moreover, in some developing countries, these characteristics determine the consumer purchase pattern and play a great role in the consumption of foreign products (Lundstrom *et al.,* 1998). Therefore, marketers attempt to measure such characteristics' influences for tailoring their offers to match the needs of different kinds of consumers (Chandran and Morwitz, 2005).

A consumer with his/her individual characteristics produces many *behavioural aspects* which have an interactive influence with other environmental factors. In marketing management context, the most important aspects are that towards marketing stimuli such as preferences, risk taking, reliance on producer's information and response to advertising in order to understand consumer buying decisions. These aspects provide useful explanations for consumer behaviour, when they are correlated with individual characteristics (Dawar *et al.,* 1997; Peter and Olson, 2008) and play a significant role in determining consumer attitudes (Knight, 1999; Okechuku and Onyemah, 1999).

Furthermore, studying behavioural aspects, such shopping behaviour, helps marketers to become acquainted with factors that influence the purchase decision (Kotler, 2003), because they can intervene between the purchase intention and the purchase decision in the buying process. All these behavioural aspects were discussed in Chapter.3. Therefore, in this context of these aspects and characteristics, the analysis of this current research is planned around three propositions:

- *The behavioural aspects of Libyan consumers are influenced by their individual characteristics.*

(Hypothesis 2)

- *The behavioural aspects of Libyan consumers are causally linked with buying behaviour toward 4P's.*

(Hypothesis 3)

- *The used indicators can predict the behavioural aspects of Libyan consumers as one construct*

(Hypothesis 4)

As mentioned before, buyer behaviour research requires accounting for all factors that may influence on it. Consumer's behaviour is also influenced by *external factors* such as social and cultural factors which have a significant effect on individual's evaluations, aspirations or behaviour (Lindridge and Dibb, 2002; Solomon *et al.*, 2006). Therefore, marketers concern about these factors (Johnson and Chang, 2000; Solomon *et al.*, 2006) and consider them as a normative factor for many dimensions of consumption (Rook and Fisher, 1995). Further, some marketing research indicates that the cultural factors embody an important variable in these influences on marketing decisions (Miracle *at al.,* 1992). However, some research showed that consumers' responses depend on their individual characteristics more than culture (Dawar *et al.,* 1997).

The current research intends to isolate the national culture effect by studying consumers from the same context (Libyan/Arab context) and investigate the correlation, relationships and causality, between this variable and the other ones. Also, the research focuses on specific factors and determines their statistical effect on specific buying behaviour characteristics. Namely, it investigates the consumer's buying behaviour toward the foreign marketing programmes and the standardisation degree of these programmes as well as the potential factors that impact the standardisation decision. In other words, this research seeks to answer whether or not the standardisation can be supported and whether the national culture is more or less relevant. This question leads to the following propositions:

- *The foreign marketing programmes in Libya influence on consumer buying behaviour.*

(**Hypothesis 5**)

- *The degree of standardisation is a significant variable in influencing on Libyan consumers.*

(**Hypothesis 6**)

5.3. Marketing Programme

As discussed previously, the consumer behaviour is one of the affecting factors on the decisions of marketing programme. Also, in international marketing, the homogeneity of consumer response to the marketing programme plays a significant role in the ability of a company to standardise their marketing programme (Griffith *et al.,* 2002) and in determining the degree of international strategy standardisation (Theodosiou and Katsikeas 2001). Basically, this response can be examined through product, promotion, price and place (Viswanathan and Dickson, 2007). However, the issues of the elements of marketing programme and its implementations in international markets are discussed under section.2.4 (Chapter.2), and section.4.5.2 (Chapter.4) respectively.

The current research discusses the designing of marketing programme across borders. Particularly, it examines the significance of the national culture factor to marketers, when they make the decisions of marketing mix cross-borders. To this end, first of all, identify the influence of foreign marketing programmes on consumer buying behaviour, for each one of their elements. Second, determine how consumers are influenced by marketing programmes according to individual characteristics. Accordingly, the investigation of this research is centred on the question of whether the cultural factors on the consumer buying behaviour still have an affecting role, or it becomes decreasing.

Some of the conceptual frameworks in marketing literature (Jain, 1989; Luna and Gupta, 2001; Melewar and Vemmervik, 2004) revealed that the consumer behaviour issue represents a critical determinant of designing the marketing programme across the world. Further, the standardisation of the marketing mix depends on the global homogenisation of consumer preferences (Cateora and Graham, 2005). Even so, these frameworks have addressed this issue with different terms such as consumer profile (Papavassiliou and Stathakopoulos, 1997), existence of customer (Schuh, 2000), customer similarity (Ozsomera and Simonin, 2004), customer perceptions (Siraliova and Angelis, 2006) and homogeneity of consumer response (Viswanathan and Dickson,

2007). The current framework illustrates the degree of marketing standardisation as a function of consumer buying behaviour toward the marketing programme with taking into account the surrounding external variables. In the current research, this discussion on the degree of standardisation leads to the following propositions:

- *The foreign marketing programmes under research in Libyan market are standardised.*

(***Hypothesis 7***)

- *The foreign home appliances companies in Libya use similar 4P's with their home country market*

(***Hypothesis 8***)

5.4. Potential Factors on the Degree of Standardisation

For the purposes of the current research, the influencing factors on the degree of standardisation decision are cited in Figure 5.8 as; organisational and environmental factors, competition and economy, besides the influences of consumer behaviour. The *aggregating* of the factors that were suggested in the literature can be ascribed to the fact that the research aims to gather evidence to determine whether or not the standardisation can be supported, and also to determine whether the national culture is more or less relevant. However, such determination is not extended to the whole operations of marketing strategies, because it requires an integrated strategic evaluation process.

Accordingly, the framework includes the potential factors that influence on the degree of standardisation for the foreign marketing programmes in the Libyan market of home appliances. Therefore, some of the influencing factors which have been determined in the literature are excluded, because they are on the country level, such as market infrastructure and environment. Also, they have an equal effect on all companies operating in Libyan market. Consequently, they are not able to reveal significant differences between the companies in Libyan market. However, the selected factors in this research are discussed in detail in the next chapter. The researcher, therefore, hypothesise the following:

- *The factors of product features, mode-of-entry, headquarters-subsidiary relationship and the level of Competition influence on the degree of standardisation.*

(***Hypothesis 9***)

5.5. The Research Framework

The conceptual framework represents an interrelation of the theories involved in the research questions. Here, the level of research questions is closely related to the extent of the framework, because it is designed to provide clear links from the literature to the research goals and questions. Accordingly, this current research requires a conceptual framework that explains the possible connections between its key variables (Kent, 2007) and exhibits the direction of causality between the key constructs of the research. Therefore, the conceptual framework is previewed to identify and account for occurrences of actions, behaviours and relationships in the collected data through the descriptors in its cells.

As the current research aims to (1) identify the influence of foreign marketing programmes on the buying behaviour of Libyan consumers (2) determine how Libyan consumers are influenced by marketing programmes according to individual characteristics to build a model for their buying behaviour, it seeks to answer the following questions:

Q.1 To what degree do the foreign companies adapt/standardise their marketing programmes in Libya?

Q.2 How are Libyan consumers influenced by these foreign marketing programmes?

Q.3 To what extent do cultural and/or individual factors impact on Libyan consumer perspectives toward foreign marketing programmes?

Q.4 What are the key cultural and/or individual factors that should be taken as significant variables in understanding the impact of marketing programmes for Libyan consumers?

As shown in Figure 5.8, these research questions are addressed in the framework. It is noticed that most questions (Q2, Q3 and Q4) take a place on two positions or more, whereas only the first question (Q1) occupies one. This is because Q1 investigates the actual adopted perspective (standardisation/adaptation) of the foreign companies' implementations of their marketing programme. Thus, it falls between the cells of *The Degree of Standardisation* and *Marketing Programme*.

As discussed previously, consumers are exposed to the marketing stimuli, and they aim to affect their behaviour positively toward the *Marketing Programme*. Here, the cell of

Consumer represents the interactive influences inside the consumer's mind. They produce needs and desires that pass through the stages of *Buying Process*. Therefore, Q2 which seeks how consumers are influenced by foreign marketing programmes is addressed between these three cells.

However, the consumer is also exposed to other external influences which are included in the *National/Cultural Context*. Marketing literature indicated that these factors play a significant role in affecting consumer behaviour and response toward marketing programmes. The framework illustrates that the nature of the interactive influences between the four cells is circular, because the consumer's experiences and acquisitions, which are produced from his/her buying behaviour, have returning effects on both *Marketing Programme* and *National/Cultural Context*. These effects can be considered as a feedback of market research of the former and as an added individual experience of the latter. Hence, Q3 aims to answer to what extent do cultural and/or individual factors impact on consumer perspectives toward marketing programmes is marked between the cells of *National/Cultural Context*, *Consumer*, *Buying Process* and *Marketing Programme*.

As Q4 relates to the factors that should be taken as significant variables in the marketing programmes, it falls between the cells of *The Degree of Standardisation, National/Cultural Context* and *Influencing Factors*. Through a searching review of Figure 4.8, it can be seen that the arrow coming from the *National/Cultural Context* cell includes all the interactive influences between *Consumer*, *Buying Process* and *Marketing Programme.* Accordingly, this framework can provide appropriate explanations of the research themes, and illustrates how they are associated in the research questions.

Consequently, this framework defines the concepts of consumer behaviour, marketing programme and potential factors on marketing strategy *conceptually*, and illustrates the interactive relationships between them within the research questions context. Clearly, this is in order to develop the measurements for these concepts which define them *operationally* (Blunch, 2008).

Measurement can be defined as the process of assigning symbols or labels to properties of persons, objects, events, or states in accordance with specific rules to represent

quantities or qualities of attributes (Green *et al.,* 1988; McDaniel and Gates, 1998). In this context, the labels should have the same relevant relationship to each other as the research constructs have. Measurement issues are, therefore, deeply intertwined with operational definitions of concepts (Green *et al.,* 1988; Soares, 2004). This is, also, because these definitions can be considered as an aid to define simply the research's involved concepts, in terms of the instrument or process used to measure them.

Figure.5.4: Overall Model of Consumer Behaviour
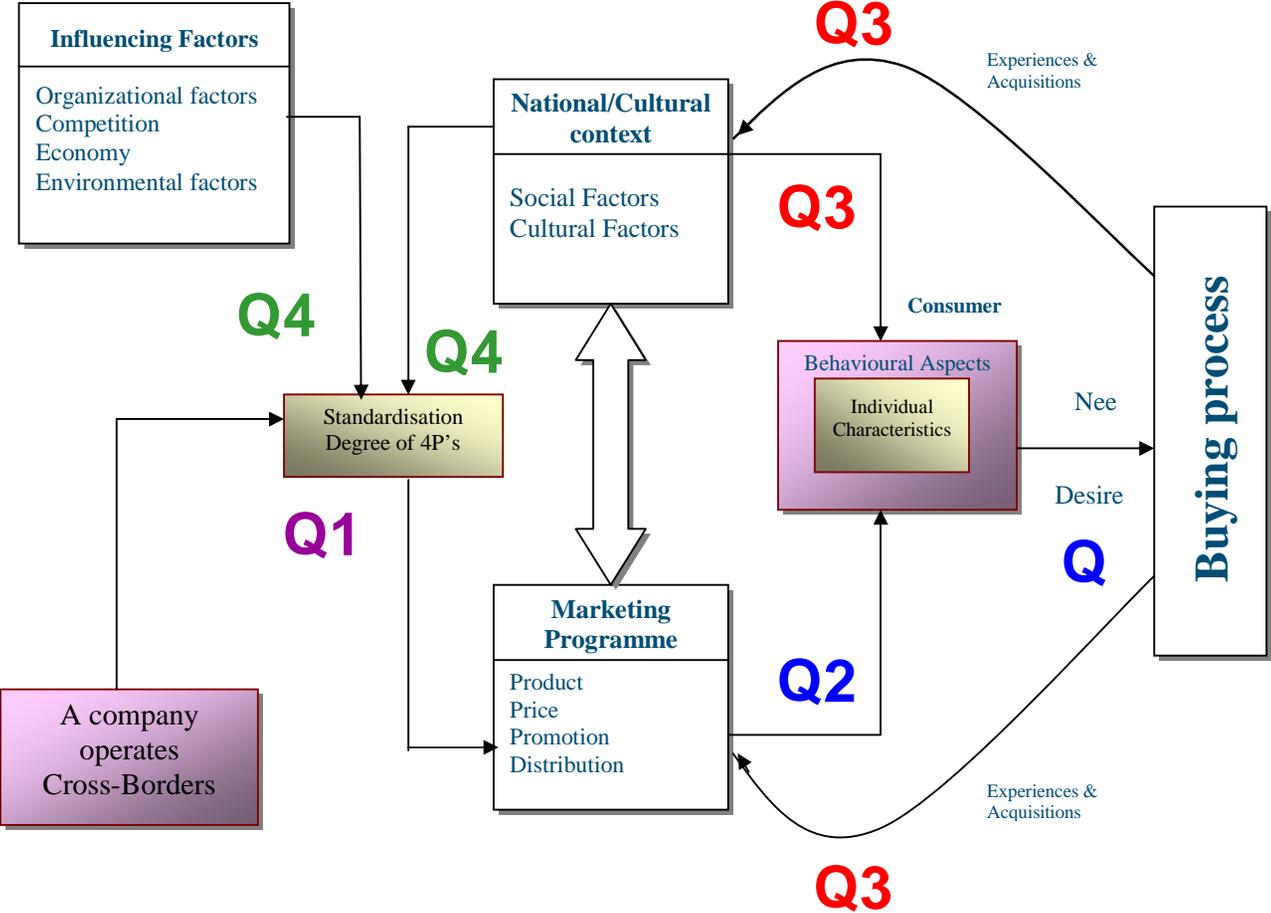
Adapted from (Jain, 1989; Hawkins *et al.,* 1998; Kotler, 2003; Lekakos and Giaglis, 2004; Viswanathan and Dickson, 2007)

Generally in marketing research, the key constructs of a research reflect its variables (independent and dependent). Some variables can be measured directly, such as demographic characteristics (i.e., using a number of years to determine the age), but other variables cannot, such as attitudes which require a battery of questions with particular scales (e.g., Likert Scale). Hence, operationalising the research constructs enables researchers to identify the properties and characteristics (*what the concept denotes?*) and the range of cases to which the concept will be applied (*what the concept connotes?*) in order to produce appropriate and valid measurements (Gerring, 1999). In Chapter.6 (section.6.3), the key constructs and variables of this research will be discussed as well as the used measurements. Also, the measurement items are addressed in Appendix.4 and 5.

5.6. Measurement Model Specification (Formative/Reflective)

Before going further in formulating the methodology and discussing the research measurements and analysing the collected data of this research, it is necessary to address the debate regarding measurement model specification in the marketing research. The discussion, here, is centred on the direction of causality between the latent variable and its indicators and, accordingly, specifying the type of measure. This specification is quite important, as the misspecification could affect the conclusions about the theoretical relationships among the constructs that are drawn from the research (Jarvis *et al.,* 2003). However, the extent to which this misspecification impacts the estimates of the measurement model was not, yet, demonstrated in marketing research. Although some researchers have discussed the nature of indicators, the quality of measures (Diamantopoulos and Winklhofer, 2001) and the applications of Structural Equation Modelling (SEM) (Fornell and Bookstein, 1982) in marketing, they did not develop a comprehensive set of criteria that can be used to specify the type of measure. In this context, may the first attempt to systematically evaluate the appropriateness of measurement model specifications in marketing was that conducted by Jarvis, Mackenzie and Podsakoff (2003).

There are two types of the indicators; formative and reflective (Blunch, 2008; Jarvis *et al.,* 2003). The formative indicators are that form or define the latent variable, whereas the reflective ones are that the correlation should exist among them for the same latent variable. Namely, the direction of causality is from construct to measure in the reflective type, and it

is reverse in the formative one (Blunch, 2008). In the formative indicator model, one of the typical examples is the indicators of person's consumption of alcoholic (latent variable) beverage where indicators such as consumption of beer, wine and whiskey form the latent variable (consumption of alcoholic). In contrast, an appropriate application of the reflective indicator model could be the include constructs of attitudes, as attitudes are generally viewed as a predisposition to respond in a consistently favourable or unfavourable manner toward an object.

As mentioned, Jarvis, Mackenzie and Podsakoff (2003: 203) have developed a set of conceptual criteria that can be used to determine whether a construct should be modelled as having formative or reflective indicators. Briefly, they demonstrated that a construct should be modelled as having formative indicators if the following conditions prevail; (1) the indicators are viewed as defining characteristics of the construct (2) the indicators do not necessarily share a common theme (3) eliminating an indicator may alter the conceptual domain of the construct (4) a change in the value of one of the indicators is not necessarily expected to be associated with a change in all of the other indicators, and (5) the indicators are not expected to have the same antecedents and consequences. Reversely, a construct should be modelled as having reflective indicators if the opposite is true.

Here, it is worthy to mention that the level of theory plays a critical role in the model specification, as whether a construct is viewed as unidimensional or multidimensional may depend on the level of abstraction that defines the construct (Jarvis *et al.,* 2003). For example, in marketing mix, the product is defined as being composed of several different facets; the product's levels, such as the benefit that the customer is really buying (core benefit), the core physical components (basic product) and the product's attributes that buyers normally expect when they purchase this product (expected products) (e.g., Kotler, 2003; Peter and Olsen, 2008). Although these facets can be considered as being separate constructs, at the abstract level of marketing mix, they are all integral parts of a product in the marketing literature.

However, the measurement model specification might be more complicated in some cases, as the process of measuring a construct may extend to be consisted of more than one dimension using the two types of indicators (formative and reflective). These combinations

of multi dimensions and types, produce four possible Second-order factor models derived from the fact that 'a First-order construct can have either formative or reflective indicators, and those First-order constructs can, themselves, be either formative or reflective indicators of an underlying Second-order construct' (Jarvis *et al.,* 2003: 204). Applying these possibilities on the current research's key constructs (consumer's response toward marketing and behavioural aspects) reveals that the appropriate model is Reflective First-order, Formative Second-order (Type II in Jarvis *et al.,* 2003: 205), as the constructs in this research are multidimensional composite constructs of non-contingent influences (see Figure.5.9). The connections between the latent variables and their manifest indicators in this research's measurement model are discussed in detail within the SEM analysis (sction.7.7.1, Chapter.7).

As mentioned above, using the AMA's definition of consumer behaviour (Luna and Gupta, 2001; AMA, 2007), the consumer's response toward marketing stimuli are measured via consumer sentiment, which is generally accepted measure in the consumer research. Also, this measure has been examined through factor analysis and validation tests for over two decades (Gaski and Etzel 1986, 2005; Gaski 2008). Here, as shown in Figure.5.9, the construct of consumer's response toward marketing programme (4P's) consists of four different types of non-contingent influence; Product, Price, Promotion and Distribution which is measured by reflective indicators (the items in questionnaire, Appendix.1).

These four First-order dimensions are modelled as being related to a Second-order non-contingent consumer's response toward four Ps' construct (Gaski 2008: 201). Similarly, the construct of consumer behavioural aspects, in the context of the international marketing research, consists of six different patterns (Formative Second-order). They are ethno-national identity, openness to foreign culture, signals of product quality, shopping behaviour, advertising effect and perceived risk (Dawar and Parker, 1994; Dawar *et al.,* 1996a, 1996b, 1997; Lundstrom *et al.,* 1998; Okechuku and Onyemah, 1999; Weisbuch *et al*., 2000; Soares, 2004), which are measured by reflective indicators (Reflective First-order).

Figure.5.5: Measurement Model (Reflective 1ˢᵗ order, Formative 2ⁿᵈ order)
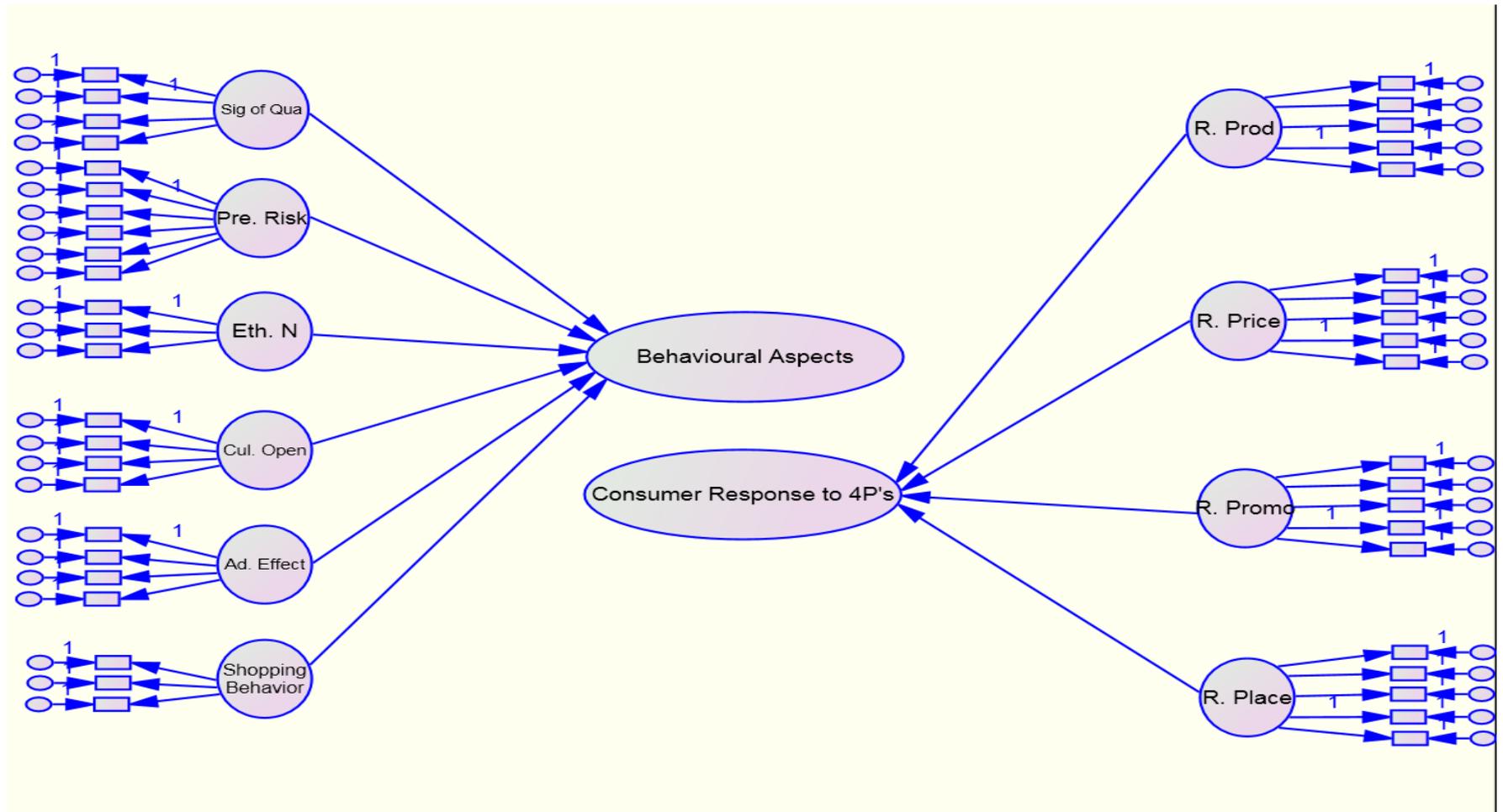
The criteria of Jarvis, Mackenzie and Podsakoff (2003: 203) were applied on all the multidimensional indicator constructs of this research. Table 5.1 shows the decision of determine whether a construct is formative or reflective (last column), which was made on the basis of the nature of relationships between the current research's measures and their constructs.

Table 5.1: Measurement Specification of the Research (Formative/Reflective)

Key Constructs	Construct's Components (2nd Order)	Indicator/Scale (1st Order)	Measurement Type (Decision)
Buying Behaviour to 4P's	Response to Product	5 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Response to Price	5 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Response to Promotion	5 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Response to Distribution	5 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Purchase Intention	1 item on MCQ	Formative 1st order, Formative 2nd order
	Influencing Factor on Purchase	3 items on Likert 5-point	Formative 1st order, Formative 2nd order
Behavioural Aspects	Signals of quality	4 item on Likert 5-point	Reflective 1st order, Formative 2nd order
	Perceived Risk	6 item on Likert 5-point	Reflective 1st order, Formative 2nd order
	Ethno-national Identity	3 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Openness to Foreign Culture	4 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Ad effect	4 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Aspects of Shopping Behaviour	4 items on Likert 5-point	Reflective 1st order, Formative 2nd order
	Reliance on producer information	1 item on MCQ	Formative 1st order, Formative 2nd order
Individual Characteristics	Demographic Characteristic	9 item on MCQ	Formative 1st order, Formative 2nd order
	International Exposure	3 item on MCQ	Formative 1st order, Formative 2nd order

This research adopts the deductive approach, using quantitative methods (see Table 6.4, Chapter.6) to investigate the effect of theoretical factors on hypothesised relationships. Namely, it aims to test the research framework concerning the consumer buying behaviour and marketing influences. Thus, the quantitative method is appropriate to examine the relationships in such a framework (Chung, 2009). The justifications of the adopted methods and designs in the current research are addressed in Chapter 6. Further, the investigation of the relationships shown in Figure.5.9 using SEM is illustrated in Chapter 7.

5.7. Conclusion

The standardisation and adaptation issues in global marketing are still under the spotlight of marketing research and practice alike (Griffith *et al.,* 2002), and have received research attention at both the conceptual (e.g., Viswanathan and Dickson, 2007) and empirical levels (e.g., Theodosiou and Katsikeas, 2001). In this context, there are some elements in the marketing programme have received much less attention such as brand standardisation (Sandler and Shani, 1992), distribution of global markets (Rosenbloom *et al.,* 1997) and pricing strategy (Theodosiou and Katsikeas, 2001), whereas much attention has been focused on the product and promotion elements (Jain, 1989; Shaw and Richter, 1999).

However, producing an integrated framework of the global marketing programme would take enormous efforts from researchers and executives simultaneously, because the decision of programme standardisation has to include many variables (Schuh, 2000; Sustar, 2005), along with the external influences that have interrelations with the consumers' culture (Miracle *at al.,* 1992). These factors play a significant and interactive role in shaping the marketing programme across countries, whatever the perspective that a company adopts.

As discussed in Chapter.4, marketing literature has presented taxonomy of these potential factors. It falls into four categories which are; macro-environmental, micro-environmental, firm-specific, and product/industry factors (Kotler, 1986; Jain, 1989; Samiee and Roth, 1992; Zou and Cavusgil, 1996; Papavassiliou and Stathakopoulos, 1997; Rosenbloom *et al.,* 1997; Solberg, 2000; Theodosiou and Katsikeas, 2001; Siraliova and Angelis, 2006). As the companies that implement the strategic concept of marketing are market driven and driven by everything that matters to their customers

(Keegan, 2004), the customer is an essential consideration in the decisions of the marketing programme (Viswanathan and Dickson, 2007). Consequently, the degree of marketing programme and consumer behaviour cannot be studied apart, and must be analysed together with other strategic marketing decisions (Schuh, 2000).

Therefore, this chapter provides a framework to develop a comprehensive view of consumer behaviour and marketing programmes in international markets, using integrated relevant theoretical and empirical research studies reported in the relevant literature. It illustrates how the involved research concepts are operationally measured, with specifying the measurements' types. Accordingly, this chapter embodies a converting stage in the current research between the literature review (Chapters 2, 3 and 4) and the data analysis and results (Chapter 7). In the following chapter, the methodological aspects of this research will be presented via discussing the methodological questions involved in consumer buying behaviour research in general, and the issues pertaining to the study in particular.

6. CHAPTER 6: RESEARCH METHODOLOGY

There is no such thing as qualitative data. Everything is either 1 or 0 (Fred Kerlinger, cited in Miles and Huberman, 1994:40)

6.1. Introduction

The preceding chapters reviewed the literature on marketing programme, consumer buying behaviour and the standardisation debate in global marketing. They discuss how marketers design their marketing tools, and implement them in an attempt to affect consumer buying decisions, and how marketers apply their marketing practices on global scale. Moreover, chapter five addresses an overall conceptual framework of the research which identifies the research concepts (consumer buying behaviour and the standardisation degree of marketing programme) conceptually and operationally through measurement development process. Also, the measurement model specification was discussed. Therefore, the purpose of this chapter is to consider the theoretical foundation and the methodology issues to build the blocks of empirical studies designed to investigate associated relationships between the research constructs.

The current chapter presents the methodological considerations, methods and techniques that were used to guide the data collection process for this research. Furthermore, the measurements and scales development process is illustrated. As this research focuses on specific factors and determines their statistical effect on certain buying behaviour characteristics, the investigation of buying behaviour is conducted from the marketing management perspective. This is in order to contribute to the debate between standardisation and adaptation. To obtain this, the research was designed based on the study of (1) a large sample of Libyan consumers via questionnaire and (2) some interviews with the managers of foreign marketing programmes in Libya.

Although the current research does not aim to provide an *understanding* and *explanation* for consumer buying behaviour, it deals with numerous factors of consumer behaviour and marketing management. However, consumer research is a vital field of inquiry, as it combines data from people with the theory of consumer behaviour to generate useful information for marketers (Arnould and Thompson, 2005). Marketers face big challenges in getting enough knowledge about consumers, because they intend

to learn more about how human brains and minds work at varying stages of life (Wolfe, 1998). Clearly, researching on consumer behaviour is not an easy task. Further, with taking into account the cultural and social issues across countries, this task becomes more complicated (Luna and Gupta, 2001).

One of the key questions in marketing research is how consumers view and value the performance of the marketing programmes that serve them (Gaski, 2008). On the global level, some researchers have studied this view on consumers from many countries, in an attempt to investigate their behaviour in different national cultural contexts toward certain marketing practices (Dawar *et al.,* 1997). In applying this, the current research rotates this idea to be studying consumers from the same cultural context with different individual characteristics, who are exposed to foreign marketing programmes from different country-origins.

According to Craig and Douglas (2005), the current research can be classified as a descriptive type which is conducted in a single country and aims to broaden the understanding of its consumer and market. This type of research is generally used when the researcher has not a sufficient knowledge about the target country. Therefore, it is an appropriate one for the current research, as there is a lack of information about Libyan consumers and market (US & FCS, 2006).

According to the documents of the National Association of Scientific Research in Libya until 2006, neither the buying behaviour of Libyan consumers, nor the actual marketing practices of foreign companies have ever been studied before (NASR, 2010). Thus, the present research could be considered as a first attempt to provide basic knowledge about consumer buying behaviour in Libya, toward the foreign marketing practices. Although some literature in marketing research has indicated that the exploratory research just aims to discover the ideas, it is appropriate for any problem about which little is known (Churchill and Iacobucci, 2005), Accordingly, this research is exploratory in nature, based on empirical work in the form of a survey conducted on Libyan consumers, and the interviews with marketing managers that were undertaken into the study of thier foreign marketing practices in terms of the standardisation issues.

This chapter is organised as follows: first, the research design formulation of this research is previewed. It includes the adopted research philosophy, strategy and

approach. Also, the justifications of the usage of quantitative methods are provided. Second, the tests of the validity and reliability of the used measures are provided via the experts' judgment and the pilot study. Then, the sampling, fieldwork reflections and the ethical considerations of the research instruments are discussed. Finally, the data preparation and analysis are presented in the last section in order to pave the way for the data analysis and the discussion of research results in the next chapter.

6.2. Research Design Formulation

A research design involves the selection of methods and procedures for accomplishing the study and acquiring the information needed (Green *et al.,* 1988). It depends on how much is known about the research problem (Churchill and Iacobucci, 2005). Regarding to the major purpose of the current project, a research design may be defined as the specification of the way in which data will be collected, constructed, analysed and interpreted, to enable the researcher to draw warranted descriptive and explanatory inference. Accordingly, this section, at first, justifies the appropriateness of the adopted philosophical approach in this research. Then, it previews the components of the research design, which are exhibited in Table 6.4.

6.2.1. The Philosophical Approach of the Research

All research is centred on assumptions about how the world is perceived and how we can best come to understand it (Hughes, 1980; Deshpande, 1983). This is what is called the research philosophy (also known research paradigm; Deshpande, 1983). In the business and social sciences research, there are some different philosophical schools. However, the two key philosophies are positivism and interpretivism (Easterby-Smith *et al.*, 2002). Positivism relies on the observation toward an objective perception of the external real world. Here, the world should be as an independent object of the mind of the observer. In other words, the key idea of the positivism is that …

"…the social world exists externally, and that its properties should be measured through objective methods, rather than being inferred subjectively through sensation, reflection or intuition" (Ibidem: 28).

In this context, the positivism philosophy can be defined as a set of epistemological perspectives of science which hold that the scientific method is the best approach to resolve research problem (Hackley, 1999). It is worthy to mention here, the epistemology embodies the relationship between that reality and the researcher, whereas methodology is the technique used by the researcher to discover that reality (Carson *et*

120

al, 2001). Accordingly, the theories put forward about how to interpret research findings are in fact epistemological theories (Gerring and Thomas, 2005).

In the interpretivism philosophy, the emphasis is placed on the way in which the social world was created in reality, and through meanings. However, the latter approach involves subjectively understanding the meaning, themes and different aspects of phenomena (Hughes, 1980; Hanson and Grimmer, 2007).

There is an argument about the dominion of using positivism in consumer research. However, there is a notable tendency toward adopting the positivist precepts in an attempt to quantify identified behaviours in this field (Peter and Olson, 1983; Hirschman, 1993; Stiles, 2003). Moreover, the literature of consumer research has indicated that the search for causal relations or causal explanations is often conducted via positivism adoption (Hunt, 1991). Here, the crucial question may therefore be, is the positivism an appropriate philosophy for consumer research, and particularly for the current research. To this end, it might be necessary to preview the key differences between the two philosophies.

6.2.1.1. Positivism versus Interpretivism

The differences between positivist and interpretive research approaches can be characterised in a number of ways. Nonetheless, the characterisation shown in Table 6.1 is the one of those widely accepted (Deshpande, 1983; Harker, 2003; Weber, 2004). The table exhibits the domains that enable the researcher to distinguish between the two philosophies. Also, it illustrates the current research's features that match each domain.

It is notable from Table 6.1, the positivists supposedly believe that the research's objects have qualities that exist independent of the researcher, whereas, interpretivists believe that the qualities that they ascribe to the objects of research are socially constructed (Weber, 2004). Regarding to the research approach, the positivism philosophy relies on the fundamental theory, then deducting what kind of observations will demonstrate the truth. In interpretivism, the researcher moves from specific observations to broader generalisations and theories. In other words, the researcher focuses on meanings, tries to understand what is happening and then develops ideas through induction from data (Hackley, 2003; Harker, 2003). Here, the literature has

indicated that the research that adopts positivism, typically, uses the deductive approach (Deshpande, 1983; Easterby-Smith *et al.*, 2002).

Table 6.2: Implications of Positivism and Interpretivism

The domain of difference	Positivism	Interpretivism	Current research
Research Object	Research object has inherent qualities that exist independently of the researcher	Research object is interpreted in light of meaning structure of researcher's experience.	Consumer Buying Behaviour
Theory Transference Approach	Deductive (Theory confirmation)	Inductive (Theory discovery)	Investigating the theory of marketing influence on consumer behaviour
Preferred Method	Quantitative (e.g. statistics, content analysis)	Qualitative (e.g. Hermeneutics, phenomenology)	Measuring a statistical effect
Validity	Certainty: data truly measures reality	Defensible knowledge claims	Validity of adopted measurements in questionnaire and interview
Reliability	Replicability: research results can be reproduced	Interpretive awareness: researchers recognise and address implications of their subjectivity.	The level of internal consistency in the research measures
Generalisability	Statistical probability	Theoretical abstraction	Producing generalisable findings to Libyan population

Adapted from (Deshpande, 1983:199; Easterby-Smith *et al.*, 2002;30; Harker, 2003:81; Weber, 2004:iv)

As researchers who adopt the positivism focus on facts in aiming to formulate hypotheses and then test them, they need to use a research method that can serve this aim. The positivists view the world as synonymous with the quantitative paradigm that can be measured, whilst the interpretivists view it as the qualitative paradigm (Deshpande, 1983; Hunt, 1991). Consequently, the quantitative method is appropriate

for the positivists as they seek large amounts of empirical data that they can analyse statistically to detect underlying regularities.

Because of the positivists rely on the empirical data; they seek to examine its validity and reliability in a different way that the interpretivists conduct. Positivists, supposedly, strive to collect data that are true measures of reality (Easterby-Smith *et al.*, 2002). Research methodologists within the positivist tradition have articulated different types of validity that need to be considered like, internal validity and external validity. Furthermore, positivists seek to ensure that their measures would yield the same results on other occasions. If so, they consider that their results are reliable (Deshpande, 1983; Weber, 2004). On the other hand, interpretivists view the validity from different perspectives. They are concerned that their claims about the knowledge – that they have acquired via their research – are defensible. Also, they believe that research is reliable if researchers can demonstrate interpretive awareness (Weber, 2004).

In some types of research – depends on its purpose – the reliable observations need to be examined statistically. The researcher seeks to determine how reliable a given measurement, is at predicting general behaviour to obtain the generalisability for results. It should be realised that the meaning of generalisability varies considerably with the philosophical viewpoint adopted. Interpretivists consider that the findings are generalisable when the ideas and theories, which generated in one setting, will apply to another (Harker, 2003). Whereas, positivists examine to what extent does the study confirm or contradict existing findings in the same field, and will also be present in the whole population (Easterby-Smith *et al.*, 2002). Once their results achieved this, they consider them generalisable findings. In the final of this preview, the best explanation can be that, the positivism philosophy focuses on the object and investigates it through actual observations that can be generalised. On the other hand, in interpretivism, the object is interpreted in the light of studying related and surrounding meanings to the object.

Over all, the last column in Table 6.1 reveals that this current research's features (object, approach and method … etc) highly correspond the domains of positivism as follows:

- The current research's aims which seek to identify the influence of foreign marketing programmes on the buying behaviour of Libyan consumers and determine how Libyan consumers are influenced by marketing programmes

according to individual characteristics, which embody the measureable and independent objects of the researcher.

- The research seeks to confirm the theory of marketing effect on consumer behaviour, and standardisation perspective in marketing through deductive approach.

- It employs the fieldwork data – which are collected via valid and reliable measurements – in statistical tests in aiming to produce generalisable findings.

Accordingly, the positivism philosophy is adopted in the current research, as it is the appropriate philosophy for the research purposes and contribution. However, it is difficult to state that the current research is purely (100%) positivism (Weber, 2004), as even the positivism research includes some interpretative works and vice versa. Similarly, although this current research adopts the positivism philosophy, it crosses the borders between the two philosophies by conducting some interpretative works on the interviews' responses (see section.6.5).

6.2.1.2. The Research Perspective

When the researcher selects a philosophy to adopt, this does not mean that he/she formulates the philosophical approach of the research. In consumer research, Marsden and Littler (1999) have argued that the researcher has to determine dialectical concept, which offers a more useful framework for guiding than either the static or abstract concepts associated with the traditional positivist and interpretivist philosophy. The idea of the dialectical concepts is that how the researcher views the causes of consumer behaviour.

According to Marsden and Littler (1999), the researcher could consider that; the material environment shapes consumer behaviour (Materialism), the consumer behaviour is in a process of continuous motion and transformation (Change), the consumption is interconnected with other forms of human behaviour (Totality), or the changes in consumer behaviour as arising from its internal contradictions (Contradiction). The consumer behaviour can be viewed from any of these considerations. However, as the current research adopts the model of consumer buying behaviour which includes internal and external influences, it deems all the views above in the investigation of buying behaviour.

Further, the researcher who studies consumer behaviour has to determine the research perspective. In the literature of consumer research there are five general perspectives of consumer behaviour, which are cognitive, behavioural, trait, interpretive and post-modern (Ibidem). The cognitive perspective is the appropriate one for the current research, because it focuses on how consumers mentally process, store, retrieve and use marketing information in the decision making process (Tybout and Artz, 1994). Also, the idea of this perspective is that consumers are exposed to the information such as mass media, promotion and personal selling that could influence on their behaviour (Marsden and Littler, 1999).

In the conclusion, of the last two sections above, the selection of a certain research philosophy and perspective is not a rhetoric matter. When the researcher adopts the research philosophy, this means that he/she draws the line of thinking and determines how the research will produce its findings. However, the discussion of the differences between the research philosophies in the social sciences literature tend to focus on the meta-theoretical level more than the choice of research methods.

Weber (2004), in this context, has indicated that the researchers who are labelled as positivists tend to use certain kinds of research methods in their work, such as surveys and field studies. Interpretivists, on the other hand, tend to use other kinds of research methods in their work, like case studies and phenomenographic studies. Therefore, it would be a more productive discussion if it was relating to well-understanding why different researchers choose different research methods.

6.2.2. Research Strategy: the Application of Empirical Study in this Research

Before discussing the research strategy, it is necessary, here, to mention that the current research investigates the marketing effect on consumer buying behaviour, using the empirical data that was collected via consumer survey. Also, it focuses on specific factors and determines their statistical effect on specific buying behaviour characteristics. This is because it aims to contribute to the debate between standardisation and adaptation. Therefore, the researcher adopts the deductive approach (also called the "top-down" methods of reasoning or logical partitioning) which means reasoning from the particular (theoretical buying behaviour characteristics) to the general (the marketing effect on consumer behaviour) (Rossiter, 1989; Hackley, 2003).

The research design does not depend on the research approach only, because it also depends on the type and strategy of research. As mentioned above, the current research is conducted in a single country (Libya), where there is a lack of the information about consumers and market (US & FCS, 2006). Thus, the descriptive type is the appropriate one for this research. Furthermore, the adopted structure of the current research form is, primarily, an external influence, which involves the impact of exposure to direct or indirect influences from other cultures (foreign marketing programmes) on behaviour patterns (Consumer buying behaviour) (Belk, 1988, cited in Craig and Douglas, 2005:166).

According to Craig and Douglas (2005) the external influence can be studied in two types of study; direct and indirect. Direct influence (shown in Figure.6.10a) can be examined through individuals who travel or live for a period of time in other cultural contexts. The study here can be designed to compare the behaviour of these individuals, with other individuals from the same group who have had a little or no exposure to external influence on relevant variables. Similarly, in the current research, consumers were asked about their exposure to other cultures through their mothers' nationality and travelling out of Arabic speaking countries. This was in order to compare their buying behaviour with other consumers who have not had such exposure to reveal its probable effect on buying decisions.

The study of indirect influence (shown in Figure.6.10b), on the other hand, focuses on the passive exposure to mass media, information or stimuli from other culture contexts. Individuals can be influenced through satellite television and advertising from other countries. Likewise, the current research investigates the influence of foreign marketing programmes from different countries on Libyan consumer behaviour in one culture context. Thus, this current research examines both direct and indirect source of influence.

Figure.6.6: External Culture Influence Studies
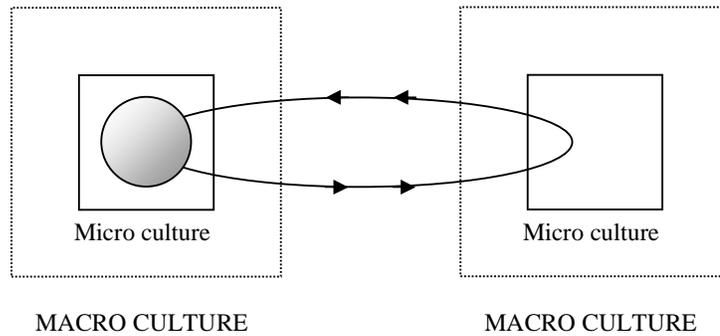
(a) Direct Influence
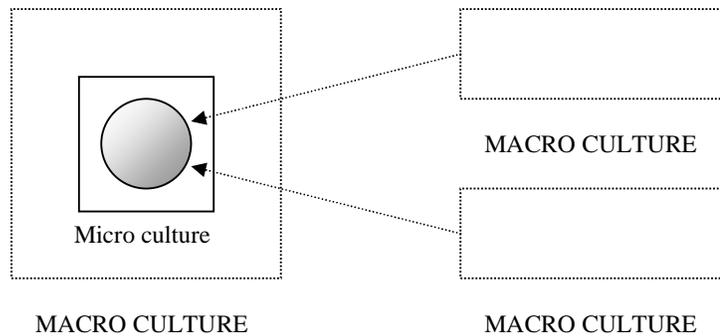
(b) Indirect Influence

Source: (Craig and Douglas, 2005:167)

The above adopted type and structure should be carried out via an appropriate strategy that enables the researcher to make warranted inferences. However, making inferences in social sciences' research is quite complicated, as the researcher draws them based on the observations of social life. In this context, there are three basic types of observational strategies, which are mainly categorised based on the size of population. These strategies are (1) variable-oriented research, where the inferences are drawn from a large number of population (2) case-based research, where the inferences are drawn from a single or very small number of cases (3) case-oriented research, where the inferences are drawn from a small number of cases (Brady and Collier, 2004; Gerring and Thomas, 2005).

The variable-oriented strategy is used when the research aims to make statistical inferences capable of being generalised to a much larger population than that used for the study. Similarly, the current research investigates the consumer buying behaviour on

a sample from Libyan consumers which can be generalised in aiming to build a model for their buying behaviour. Therefore, the variable-oriented strategy (also called mathematical) is used in this research (Ragin, 1997; Gerring and Thomas, 2005) to obtain the research aims and achieve its contribution.

6.2.3. Research Methods: Which Techniques were used in this Research?

In the discussion of the research methods, sometimes, the term of method is used to refer to the research methodology. However, the methodology denotes to the theories of how the use of methods enable researchers to draw warranted inferences to conclusions, whereas, method consists of the techniques that are appropriately used for the creation, collection, coding, construction and analysis of data. Consequently, the research methodology embodies all the considerations about how the researcher comes to understand the phenomena, and it governs the methods that can be used to well-understand the research problem and questions. Therefore, the chapter as a whole is presented to illustrate, explain and justify the adopted methodology in this research, while, this section particular is allocated to discuss the used methods of this research.

When the researchers determine the research strategy that is to be used, they have to select which research methods will match the research objectives and the determined strategy. The three-fold typology of the research strategy discussed in the previous section, relates to the broad distinction between qualitative and quantitative research method. The key distinction, here, is between methods that measure particular phenomena, and those that describe and make qualitative judgments about them.

Generally speaking, the variable-oriented research tends to have an affinity with quantitative methods, and the case-based and case-oriented research tends to have an affinity with qualitative ones (Ragin, 1997). But, the researcher has to be watchful toward the assumption that this affinity is complete. This is because the case-based and case-oriented researches often employ multi-method designs, in order to develop a holistic understanding of the case(s), and to this end the researcher may well collect and analyse some quantitative data. However, the appropriateness of the quantitative methods with the variable-oriented strategy is notable, as this strategy enables the researcher to make inferences with large powers of generalisation which can be provided through the quantitative methods. In the current research, the generalisation is

important issue. This is because of the research investigates the effect of foreign marketing practices on a sample of Libyan consumers, in aiming to generalise the produced findings to Libyan population, in order to draw a framework for their buying behaviour toward these practices.

In marketing literature, there are many research that has studied marketing influence on consumer behaviour (e.g. Gaski and Etzel, 1986; Dawar *et al.,* 1996; Lundstrom *et al.,* 1998; Howard and Mason, 2001; Shoham and Brencic 2003; Malhotra, 2004; Jin and Suh, 2005; Gaski, 2008). Generally, this research has been trended strongly to adopt quantitative methods, because researchers have wanted information based on extrapolating from a sample to a general population (Hague, 2002). Similarly, the quantitative method is used in the current research, which studies a sample of consumers in Libya, to produce representative findings that can be generalised to Libyan consumers. Moreover, the current research endeavours to contribute to the debate between standardisation and adaptation. Hence, its findings must be comparable with other studies. This can be provided by the quantitative method (Ozsomera and Simonin, 2004).

Although the qualitative methods might be useful for *explaining* consumer behaviour, the nature of the current research's objectives require focusing on specific factors and determine their statistical effect on specific buying behaviour characteristics. Furthermore, the research aims to propose and test a research framework concerning the consumer buying behaviour and marketing influences (shown in chapter five). Therefore, the quantitative method is appropriate to examine the relationships in such a framework (Chung, 2009).

As discussed in Chapter.5, the research framework defines the concepts of consumer behaviour, marketing programme and potential factors on marketing strategy *conceptually*, and illustrates the interactive relationships between them within the research questions context. Then, the measures for these concepts which define them *operationally* were discussed in the measurement development process (section.6.3). Sequentially, after the discussion of research design formulation in the previous section, the next section illustrates how these measures were used in the research instruments; questionnaire and interview schedule.

6.2.4. The Design of Research Instruments

As discussed previously, the empirical study of this research is mainly based on consumer survey. A questionnaire (see Appendix.1), therefore, was used for collecting the bulk of data, as it is the most common instrument used to collect primary market-related data (Kotler, 2003). Also, interviews were conducted with the managers of foreign marketing campaigns in Libya to establish whether, or not, foreign marketing campaigns, that are currently conducted, contain purposely adapted aspects. And, if they did, to what extent these aspects are applied. The development process of the questionnaire and interview schedule was carried out as follows.

6.2.4.1. The Questionnaire Design

The self-completion questionnaire was constructed and written in English and Plain Arabic (the national language) simultaneously, in order to produce two versions. The Arabic version is the one that was delivered to the respondents. Because of this, the issues of translation and back-translation become apparent. Researchers rely on back-translation via two independent translators to translate and back-translate the instrument to the target respondents' language (Geisinger, 1994). However, back-translation might be not sufficient to capture the cultural and linguistic differences in the case of completely different languages (i.e., English and Arabic) and it should be followed by an extensive pretesting in different countries (Steenkamp, and Hofstede, 2002). However, back translation would be necessary where the research sample includes people (respondents) who are either bilingual or from more than one nationality or language (Soares, 2004), but this case is applied in this particular research.

Generally, the efficient translation demands good knowledge of original language and the one into which it is being translated. Also, is required a good knowledge of technical aspects of the context, as literal meaning is not a condition of good communication (Milovanović, 1999). In this context, Geisinger (1994) presented a method to achieve such quality of translation which is based on a review of translation by experts. These experts must be fluent in both languages, knowledgeable about both cultures, and expert in both the characteristics and the content measured on the instruments (Essoo, 2001). This method has been found useful in some academic research in the Middle East (e.g., Jafari, 2008) and Arab world (e.g., Youssef, 2006).

In this present research, the first version of the research instruments was prepared in English. Then, it was translated to Arabic by help from professional colleagues in academics and business who are fluent in English and Arabic. In order to achieve validated translation, three bilingual speaker experts (see Appendix.3.A) who were familiar with the cultures involved were asked to review the translation of research instruments to Arabic in aiming to ensure that the used Arabic version have the *same* meanings/information of original English one.. Both versions (Arabic and English) were compared and changes were made until a final version was agreed on as a result of this process.

As the respondents, who were targeted by the questionnaire, are general public (Libyan consumers in the streets and shops), the questions should be written in a widely understandable language, style and structure (Malhotra, 2007). To achieve this, the researcher discussed these issues in the Arabic version with Libyan experts (see Appendix.3.A) who reviewed the research measurements (see section.6.2.5.1). The questions were phrased as simply as possible to minimize ambiguities during the data collection. Also, they were pre-tested through the pilot study which is previewed in the section 6.4.2 (Lundstrom *et al.,* 1998).

The questionnaire was consisted of different scales and categories depending on the research construct. The closed-questions approach was adopted in some parts of the questionnaire such as the demographic items. The multi-item Likert scales are commonly used and recommended question format for measuring latent consumer behaviour constructs such as attitudes, beliefs and values (DeVellis, 2003; Soares, 2004; Burns and Burns, 2008). Likewise, most questions that were designed to measure the consumers' responses were in Likert 5-point "strongly agree to strongly disagree" scales (reverse-coded where appropriate). Likert 5-point, particularly, was selected in order to allow using the collected data in most statistical tests, as some needed tests in this research just accept the responses that are on at least 5-point scale (e.g., SEM and CFA) (Blunch, 2008). Also, Libyan experts mentioned that Likert 7-point is inappropriate, because Libyan respondents are more familiar with Likert 3-point and 5-point. Regarding to the sequencing of questions, the researcher determined the order of questions based on the scenario of buying process (Kotler, 2003; Jobber, 2007) rather than based on the research constructs' order (shown in Appendix.4) or using the random method.

6.2.4.2. The Design of Interview Schedule

The structured interview was used in this research which covered the issues relating to the level of marketing programmes standardisation in Libyan market. The key concern, here, was in formulating questions, such as to ensure that the necessary information was obtained and miscommunication was avoided. Similar to the questionnaire, the questions were simply phrased. This is because it should be expected that the respondents are not sufficiently familiar with some of the academic marketing terminology. However, the interviews were administered by the researcher himself in order to ensure that the questions were correctly understood by the respondents.

The structured design is appropriate for the interviews, because the interviewees were asked about what they actually practice in marketing, not for their opinions or evaluations about it, which may require conducting an in-depth interview (Ozsomera and Simonin, 2004). The interviews' questions fell into three parts (1) general information regarding the company's brand, markets and sales (Souiden, 2000) (2) the actual marketing practices in Libyan market (3) the potential factors on the degree of standardisation. As the interviews with marketing managers were face-to-face, structured and written, their schedule (see Appindix.2) was designed to last approximately 45 minutes each.

Both respondents to questionnaire (consumers) and interviewees (marketing managers) were informed that their participation is voluntary, and they are free to withdraw at any time without giving any reason, and without any implications for their legal rights (Malhotra, 2007). These rights are addressed in the front page of each instrument (see Appendix.1 and 2).

6.3. Measurement and Scaling of the Research Concepts

Generally speaking, there are two broad alternatives to developing items to be used in research instruments. The first approach aims to allow items to emerge inductively via qualitative processes such as introspective mind mapping (Wycoff, 1991) or individual brainstorming (Camacho and Paulus, 1995) or, more normally, via interviews and/or focus groups comprising independent agents with a particular knowledge or interest in the variable(s) under consideration (Birtwistle and Tsim, 2005; Hanson and Grimmer, 2007). The second approach is identifying selecting and using ready-made items that

have been used successfully in the past. In this approach of developing measures, Churchill (1979: 67) encourages researchers to conduct a *"thorough review of literature in which the variable is used"*; both to ensure that conceptual domain are specified through the synthesis what is already known and to identify measures that have, previously, worked effectively for other researchers.

In some cases, where the phenomenon being considered is totally new, then a qualitative approach is the only real alternative, but even where existing phenomena are being examined (e.g. consumer behaviour) a qualitative approach can provide new insights and help configure alternative measures that may improve on those that have already been used. However, the benefits of the second approach are that items have been found, by other researchers, to make an appropriate contribution to both construct reliability and construct/content validity. A further advantage is that results from new studies can be compared, on a direct basis, to those from past studies, and this is especially useful for the study of consumer behaviour where cross-cultural or longitudinal benchmarking might be a major, or potential, objective.

As the current research adopts the deductive approach, the development of measures is guided by the review of the relevant literature to develop the theoretical definition of the constructs under examination (Hair *et al.,* 2008). This section previews the measurement development process. This process started with a literature review to generate a large pool of items that represent various categories of the effect of marketing programmes on buying behaviour. The generated items, then, were evaluated in terms of the extent to which a specific set of items reflects a content domain, and this resulted in a reduced set of items (DeVellis, 2003).

The adopted measures in this research are, mainly, existing measures (see the 'source' column in Appendix.4 and 5). Similarly, their items and scales were developed through selecting and adopting the ones that have been used in the literature (e.g., Gaski and Etzel 1986, 2005; Dawar *et al.,* 1996, 1997; Lundstrom *et al.,* 1998; Okechuku and Onyemah, 1999). This adoption can be justified by that the current research seeks for comparable finding with the literature in order to contribute to the debate on how consumers responded to international marketing. Therefore, this research studies the behaviour of consumers from one national context in one particular country (Libya), but explores the impact of marketing programmes that emanate from different country-of-

origin global operators. As mentioned earlier, the nature of the research's objectives requires focusing on specific factors and determines their statistical effect on specific buying behaviour characteristics. In this context, it is necessary to state that this research just focuses on measuring the consumers' responses toward the aspects of the foreign marketing programmes and it does not go in-depth into consumer psychology which might need qualitative research to develop appropriate measurements.

The used measures are fall into three types in terms of the level of development; (1) Existing measures which their items and scales have been developed by previous studies (2) Composed measures which are existing in the literature, but their items and scales have been adapted according to the current research (3) New measures which their items and scales have been developed ad hoc for this research's purposes.

As mentioned in section 1.4 (Chapter.1), this current research uses (1) the questionnaire and (2) structured interview to collect data from Libyan consumers and marketing managers of the foreign marketing programmes in Libya respectively. Accordingly, in the following sections, the adopted measurements in the questionnaire and the interview schedule are reviewed. Further the measurement model specification and the measures types are discussed. The process of questionnaire and interview design is discussed in detail in the next chapter. Also, the measures for each variable and their sources, which are derived or adapted from, are illustrated in Appendix.4 and 5.

6.3.1. The Measures of the Consumer Survey

The consumer survey will be conducted through questionnaire to collect consumers' answers about the factors which are investigated in the current research. Hence, the sequence of adopted measures in the questionnaire, here, is based on the research variables as follows:

6.3.1.1. Individual Characteristics

In order to determine how Libyan consumers are influenced by marketing programmes in accordance with their individual characteristics and to build a model for their buying behaviour, the questionnaire included the section "few things about the consumer". The questions were about the individual demographic characteristics that have a probable influence on buying behaviour in the marketing literature (e.g., Nader 1969; Dawar *et al.,* 1996, 1997; Armstrong and Kotler, 2008; Gaski, 2008). They are; age, gender, marital status, level of education, occupation, international exposure and disposable

income. Most of these questions were formulated on Multi Choice Questions (MCQ) with an open choice in some of them as shown in the questionnaire (see Appendix.1).

As previously discussed, the adopted structure of the current research form is, primarily, an external influence, which involves the impact of exposure to direct or indirect influences from other cultures (foreign marketing programmes) on behaviour patterns (Consumer buying behaviour) (Belk, 1988, cited in Craig and Douglas, 2005:166). Therefore, the international exposure, was measured through three questions about what is the language(s) that consumer speaks (beside Arabic), what is his/her mother's nationality and how many countries that he/she has visited (beside Arab World). Regarding to the disposable income, it was measured via two items; the quantity of home appliances products that consumer bought in the last year, and the estimated cost of his/her purchased home appliances as a percentage of his/her monthly income.

6.3.1.2. Consumer's Response toward Marketing Practices

The American Marketing Association's definition of consumer behaviour is adopted in this research. The definition expresses that the consumer behaviour is "*the dynamic interaction of affect and cognition, behaviour and the environment by which human beings conduct the exchange aspects of their lives*" (American Marketing Association 2007). Affect, here, refers to the attitude/intention formation process and its outcomes (Luna and Gupta 2001). For the research's purposes, the focusing is on the consumer attitudes/intention towards marketing stimuli which are representing the elements of marketing programme. They were measured via consumer sentiment which is generally accepted in the consumer research and has been examined through validation tests for over two decades (Gaski and Etzel 1986, 2005; Gaski 2008). The consumer sentiment index has been deemed as a barometer of "*how marketing is doing*" in the eyes of consumers (Gaski and Etzel 1986; Gaski 2008). Thus, it is an appropriate measurement for the purposes of this research.

The influence of marketing programmes on consumer buying behaviour was measured via sentiment and attitudes towards the basic four marketing practices. Despite the lively debate about considering the four Ps as the prevalent and indispensable element of marketing (Rafiq and Ahmed, 1995; Constantinides, 2006; Zineldin and Philipson, 2007), the current research adopted these components as the framework of the foreign

marketing programme (Kotler, 2003). The majority of marketing practitioners consider the four Ps as the toolkit of transaction marketing and archetype for operational marketing planning (Grönroos, 1994). Furthermore, it is considered a familiar framework in the consumer research and marketing practices (Subrahmanyan and Gomez-Arias, 2008). The debate about considering four Ps as the prevalent and indispensable element of marketing (Constantinides, 2006; Zineldin and Philipson, 2007) was discussed in chapter 2.

Consumer sentiment toward marketing programme was measured by the phrases shown in Appendix.4; Libyan consumers were asked about product features, prices levels, promotion messages and distribution channels. The questions were based on Likert 5-point scale of five down to one, being "strongly agree" to "strongly disagree" respectively, but some of them were negatively worded with reverse scoring.

In view of the fact that the current research studies the marketing practices of the foreign companies that operate in Libyan market, it is very necessary to investigate the consumer attitudes toward the philosophy of such companies (Gaski and Etzel 1986; Gaski 2008). These attitudes were measured by five questions displayed in Appendix.4, which also were based on Likert 5-point scale ("strongly agree" to "strongly disagree").

6.3.1.3. Purchase Intention

As discussed in chapter 3, the purchase intention is a prior stage of the purchase decision in the buying process. Therefore, it is important to determine the intention levels and examine the potential factors which may influence on it. Moreover, the responses from the question of purchase intention measurement were developed to contribute significantly to the model of Libyan buying behaviour which the current research endeavours to build.

The five exhibited phrases in Appendix.4 were used to measure the level of purchase intention. These levels were from "definitely will buy" to "definitely will not buy" the home appliances in the next six months (Teng *at el,* 2007). The items were based on MCQ formula. Also, the two factors which intervene between the purchase intention and the purchase decision were used in measuring the intention. The questions were about the consumer's attitudes toward others, and unanticipated situational factors which play a critical role in adjusting consumer's purchase intention (Sample and

Warland, 1973; Kotler 2003). The questions were used to reveal the influence extent of these factors. They were based on Likert 5-point scale ("strongly agree" to "strongly disagree").

6.3.1.4. The Measures of Behavioural Aspects

As the number of consumer behaviour dimensions in the literature is large, the dimensionalisation task is daunting (Clark, 1990). Therefore, sorting them, through all possible dimensions, to identify and justify the most appropriate ones for the research's purposes would be an efficient way to proceed. Accordingly, the behavioural aspects which embody specific patterns of consumer behaviour were studied. They consist of reliance on producer information, consumer's preferences, response to advertising, risk taking and shopping behaviour (Dawar *et al.,* 1997).

In measuring *the reliance on manufacturer information*, the measurement that was suggested and developed by Dawar, Parker and Price (1997) was used through MCQ formula. The questions shown in Appendix.4 asked respondents whether they often rely on messages in commercials, salesperson, media and/or personal friends when purchasing foreign home appliances. In addition, consumers were asked whether the information received from manufacturer "may or may not be helpful for the decision that they have to make" (Meyvis and Janiszewski, 2002).

The consumer preferences were measured by a question with five choices. Consumers were asked about their considerations in home appliances purchasing, in terms of the safety that the product provides, salesman's advice, price, brand name, latest model of product, country of origin (Dawar *et al.,* 1997), which reflect their preferences. Respondents were asked to select the three most important choices when they buy home appliances, from their point of view (Pose, *et al.,* 2002, Okechuku and Onyemah, 1999).

Some research showed that the purchase decision of consumer might be influenced by his/her belief that purchasing imported products is wrong, because it hurts the domestic economy (e.g., Shimp and Sharma, 1987). This is what is called in the literature "ethnocentrism", which is considered as one of consumer preferences. Lundstrom, Lee and White's (1998) measures were used to measure the ethno-national identity. Furthermore, the country image plays a significant role, as one of consumers' preferences, in determining of consumer's attitudes (Okechuku and Onyemah, 1999).

The three questions exhibited in Appendix.4 were used to measure the role of country image based MCQ formula (Lundstrom *et al.,* 1998).

Furthermore, the openness to foreign culture was measured in aiming to reflect the respondent's acceptance of what is not indigenous to the home country. Also, these measures were used to reveal the indirect international exposure. The four questions shown in Appendix.4 were based on Likert 5-point scale ("strongly agree" to "strongly disagree") (Sharma *et al.,* 1994; Lundstrom *et al.,* 1998). Additionally, as the home appliances have a high level of quality uncertainty, which would be implying the use of signals, a brand name was investigated as a signal of product quality (Dawar and Parker, 1994). The questions were based on Likert 5-point scale of five down to one, being "strongly agree" to "strongly disagree" respectively, but some of them were negatively worded with reverse scoring.

The risk taking behaviour was measured through the six questions displayed in Appendix.4. They were also scored on Likert 5-point scale above. The consumers were asked about the financial, performance, physical and social risks respectively (Soares 2004).

The advertising effect was assessed by the two items scale "unpleasant/pleasant" and "unexciting/exciting" (Holbrook and Batra, 1987; Teng *et al.,* 2007). Moreover, the advertising response was measured by four items derived from AIDA model (Strong 1925, cited in Kotler 2003:568), which explains the consumer response for advertising message. The questions were based on Likert 5-point scale ("strongly agree" to "strongly disagree").

In measuring *shopping behaviour*, the four items exhibited in Appendix.4 were used to identify two types of shopping behaviour; loyal customers to their seller and non-loyal customers (Weisbuch *et al.*, 2000).

6.3.2. The Measures of the Interview Schedule

As mentioned earlier, this research consists of two phases in order to know how local suppliers presently interpret the need for adaptation in Libyan market (Phase I) and to investigate how Libyan consumers react to the foreign companies' marketing decisions (Phase II). As the measures of the second phase are addressed in the previous section

(the measurements of consumer survey), this section discusses the measures of the latter one.

The operational definitions of the standardisation constructs are debatable, because it the standardisation degree can be identified from two views; customers and marketers. Further, there is no consensus among scholars about what constitutes a standardised process (implementation) or programme (aspects of the marketing mix) (Samiee and Roth, 1992). However, since the current research is concerned with the actual level of marketing programme standardisation, rather than with ideal levels of these constructs, respondents were given instructions reminding them to consider the current state of their operations (Ozsomer and Simonin, 2004). Therefore, the measures reflect the managers' perceptions of the actual practice.

6.3.2.1. The Standardisation Levels of Marketing Programme

The range of the standardisation levels was illustrated through the questions about the marketing activities that constitute the marketing programme. The important point to note is that, determining the level of marketing programme standardisation could also reveal the level of marketing programme adaptation, because the two perspectives can be considered as the two sides of the same coin.

As mentioned in chapter 2, the marketing management process consists of five basic steps which are; R, STP, MM, I and C (Kotler 1999; Dibb *et al.,* 2006). The STP step reflects the strategic marketing, which should be conducted on a top management of company. As the current research investigates the actual marketing practices of the foreign companies via their agents in Libya, the questions shown in Appendix.5 were developed to measure the tactical marketing (MM) and administrative marketing (IC). Also, the marketing managers were asked about their market research (R) which should be conducted prior to the steps above (Jobber, 2007). However, most items of the measurement were derived from the relevant literature that has studied the actual level of marketing programme standardisation (Ozsomer *et al.,* 1991; Szymanski *et al*., 1993; Ozsomer and Simonin, 2004).

The measures of the actual level of marketing programme standardisation were used through structured interviews with marketing managers. Further, their answers were

studied with the consumers' answers in order to illustrate the potential effect of the degree of marketing standardisation on consumer behaviour. Hence, the qualitative data that were produced from the interviews need to be converted to quantitative ones. Generally, however, when direct measures are available just on a qualitative formula, a specific model would be required to convert the qualitative expectations responses into a quantitative series (Smith and McAleer, 1995; Kemp-Benedict, 2009). This converting process is discussed further in section 6.7.

As identified earlier, this current research seeks to establish, 'to what degree do foreign companies adapt/standardise marketing programmes for Libya?'. The interviewees' answers were scored to reflect three levels of standardisation perspective which are; Standardised, Slightly Adapted and Adapted. The measure that is exhibited in Appendix.5 was based on the structured design. In addition, the questions were used in a dichotomous yes/no formula, in order to translate the qualitative scenario into quantitative parameters (Kemp-Benedict, 2009).

The relationship between the levels of marketing programme's effect and the degree of standardisation are studied. In the questionnaire, consumers were asked about which brand they bought, or prefer to buy. The brands, here, represent the companies who are operating in Libyan market. This question was on MCQ formula with. The answers to this question were correlated with the consumer sentiment questions. These questions measured the effect of foreign marketing programmes in order to investigate the relationship between the degrees of standardisation and its effectiveness on buying behaviour of Libyan consumers.

Furthermore, the standardisation of marketing programme was measured with 12 questions which were based on Ozsomer and Simonin's (2004) measurement. Here, the interviewees were asked "comparing the situation in the Libyan market and in the parent company's home market, how similar or different are the following marketing programme elements for your major product (line)?" The marketing elements are; *Product* (product physical characteristics, brand name and packaging), *Promotion* (sales promotion, product positioning, advertising theme, media allocation and advertising copy), *Pricing policy* and *Distribution* (customer service and the role of sales force). The answers for these items were based on Likert 5-point type statements, from very similar to very different.

6.3.2.2. The Potential Factors in the Degree of Standardisation

There are many models and frameworks that have illustrated and determined the factors, which influence on the degree of standardisation for the marketing programme across countries (e.g. Kotler 1986; Jain 1989; Papavassiliou and Stathakopoulos 1997; Schuh 2000; Alashban *et al.,* 2002; Zou and Cavusgil 2002; Melewar and Vemmervik, 2004; Ozsomer and Simonin 2004; Siraliova and Angelis 2006; Viswanathan and Dickson 2007). The literature has explored a number of influencing factors on the degree of standardisation which is mostly centred on the dimensions of market, environment and organisation, as well as the internal and external factors that affect consumers.

As this research investigates the foreign marketing programmes in Libyan market, some of the influencing factors – which have been determined through the past research – were excluded. This is because they are regarded at the country level, such as market infrastructure and environment. Accordingly, such factors would have an equal effect on all companies operating in Libyan market and, therefore, they could not illustrate significant differences between these companies.

The interview questions (displayed in Appendix.5) were about product features, mode of entry, headquarters-subsidiary relationship and competition. The research investigates the potential significant relationship between these factors and the degree of standardisation in marketing programme. The findings of this investigation aim to contribute to develop the research framework and provide some insights for the future research. Specifically, for the research in marketing programmes of international companies which are operating in one country market.

Product features have emerged as one of the potential factors that influence on the degree of standardisation across countries, because when a product meets a universal need, it requires a minor adaptation across global markets. Then, the standardisation marketing programme will be facilitated (Jain, 1989). However, in identifying the potential influence of this factor, Kotler (1986) has suggested a model for the international decision process in the form of Algorithm to determine the level of marketing programme design. Accordingly, the measures of the interview (shown in Appendix.5) were about the potential influences that are derived from Kotler's model.

The interviewees were asked three questions, to illustrate how their marketing programmes are influenced by the product features in terms of standardisation.

Mode-of-entry includes broad choices for strategies that can be decided from a company which targets a particular country (see Figure.4.4). Some literature has determined mode of entry into five strategies which are; indirect exporting, direct exporting, licensing, joint venture and direct investment (Kotler, 2003; Schuh, 2000). As the current research investigates the foreign marketing programmes in Libyan market, the available entry modes for the foreign companies under research are those allowed by Libyan commercial law. Although the Libyan law refers to these optional modes by slightly different terms to the literature, they are under the similar levels of entry in the literature. Libyan market, companies have five main options; set up a branch office, establish a joint venture/joint stock company with a local firm, establish a representative office, enter Libya under the provisions of investment law and entering through local agency (US & FCS, 2006) . The interviewees were asked about their mode of entry to Libyan market from these options. This was in order to investigate the relationship between the mode of entry of foreign companies and their adopted level of marketing programme standardisation in Libya.

Headquarters-subsidiary relationship could illustrate the conflicts that may arise between the foreign company and its subsidiary in Libya. The quality of this relationship plays a significant role in marketing programme across borders, because if the conflict is effective, it is likely to discourage programme transfer (Jain, 1989). The interviewees were asked "does the consensus between you (as a subsidiary) and your headquarters have key standardisation issues?".

Competition is another potential factor on the standardisation. The competition-related factors that might impact decisions concerning adaptation/standardisation were established. Here, competition refers to the actual and potential offerings, and substitutes, available elsewhere in the market that might represent a threat to sales (Kotler, 2003). Also, the absence of a current and potential competition may attract the company to standardisation tendency (Jain, 1989). The marketing managers were asked about considerations in their marketing decisions to distinguish the levels of competition that might affect them. Four questions shown in Appendix.5 were used for each element of marketing programme, to reflect four levels of competition.

6.4. Reliability and Validity

The reliability and validity are critical and fundamental issues in the scale evaluation process (Malhotra, 2007). Although both reliability and validity can be considered as the measures of the scales quality, they focus on different questions. 'Whereas reliability concerns how much a variable influences a set of items, validity concerns whether the variable is the underlying cause of items covariation' (DeVellis, 2003: 49). However, as the reliability pertains to the extent to which the scale produces consistent results if a repeated measurement is made (Green *et al.,* 1988), the perfect reliability may or may not be perfect validity. This is because the systematic error may still be present (Malhotra, 2007).

In the literature of research methods, the classification of validity is various. However, there are three major methods of estimating the validity of a data collection instrument (e.g., DeVellis, 2003; Craig and Douglas, 2005; Burns and Burns, 2008). They are Self-Evident Measures, Pragmatic Measures and Construct Validity.

The first method refers to the fact that the instrument appears to measure what it is supposed to measure. This includes (1) face validity; a validity of appearances that disguises the real intent of the assessment and (2) content validity; it involves comparing the content of the measurement technique to the known literature on the topic and validating the fact that the tool does represent the literature accurately. The second method to estimate validity, essentially, tests the practical value of a particular research instrument or tool and focus on the measurement performance. This method includes (1) concurrent validity; the extent to which the measurement truly represents the current status of performance and (2) predictive validity; the extent to which the measurement will predict future performance. The last major method (Construct Validity) provides the highest level of validation and it is the most complex. This method deals with the validation of the construct (i.e., theory or proposition) that underlies the research. Here, the researcher examines the theory that underlies the thesis or research question.

Besides, Burns and Burns (2008) referred to the importance of another type of validity, which is population validity (also called external validity). This type relates to whether a sample of participants responses are an accurate assessment of the target population. However, there is no need for a researcher to conduct *all* these validity tests, rather,

he/she select those which ascertain the quality of research measures (Burns and Burns, 2008). The selection of the validity method in a research is directly related to the level of the study design. For example, exploratory descriptive designs where there is a little knowledge about the phenomena, self-evident measures might be sufficient, whereas, the predictive research demands the highest degree of validity testing. Also, the selection depends on the availability of method application. For example, predictive validity is established by measuring the trait now and waiting to see if the event occurs as predicted. Then, the instrument can be used with confidence to discriminate between people on the basis of expected outcome. Further, the test of construct validity needs to compare a number of other instruments that test for a similar construct.

As discussed in the previous sections, the nature of this research is exploratory descriptive using consumer survey (consumer's responses toward foreign marketing). Also, it does not seek to predict a certain buyer's behaviour, as the investigation includes a number of different marketing programmes and products. Moreover, this current research aims to develop a framework which facilitates the understanding of buying behaviour of Libyan consumers. Accordingly, the pragmatic measures of validity are inappropriate, as they focus on predictive validity. Also, it is difficult to apply the test of construct validity in this research. This test requires two stages data collection on the same sample which is so different than the current research design. The current research depends on collecting responses from a large sample of consumers (805 respondents) in order to produce generalisable results.

Therefore, in the current research, the self-evident and external validity were examined via experts' review and statistical tests. Furthermore, the internal consistency method was used on the pilot study to determine the reliability of the scales.

6.4.1. The Experts' Review

The experts' review (also known as experts' judgment) was adopted to obtain the content validity (Theodosiou *et al.,* 2001; DeVellis, 2003). This type of validity reflects the extent to which the content of a measurement reflects and captures the intended constructs that are to be investigated (Peterson, 2000; Burns and Burns, 2008). This review provided significant insights to ensure that the set of items reflects the content domain and demonstrates an adequate coverage of the research themes. The researcher contacted a number of experts in the area of consumer behaviour, international marketing, marketing management, mass media and social science. They were asked to

evaluate the measures in order to ascertain that there is matching between the scales and objectives of the research, and to assess the substantive meaningfulness of the scale (Peterson, 2000).

Eight experts from Libya, the UK and USA (their profiles are listed in Appendix.3A) were asked to fill in the evaluation form (see Appindix.3B) which reflects their review for the measurement items. The measurement and items evaluations from six of them were received. This response rate (6/8) is still representative. As these six experts were three Western (1 from UK and 2 from USA) and three Libyans, they provided external and domestic critical views of the research instruments in balance. These two views were appropriate for such research which studies the effect of foreign marketing programmes on consumers from one single country.

The analysis of these evaluations provided the researcher with confidence for most of the measures. The analysis of the experts' responses was conducted statistically to determine which items were recommended by the experts. The results showed that the direction of causality between the variables and measures, and the type of constructs (Formative/Reflective) (Jarvis *et al.,* 2003) were recommended with high rates from 83.30 % up to 100 %. Furthermore, the experts' evaluation of the items of the questionnaire and interview's schedule showed that most of the items were recommended, though some items needed to be removed, changed, amended or revised. Accordingly, the items fell into four levels.

The first level is the recommended items. They were 70 % of the instruments' items. The second level is the revised items which were 18 %. As shown in Table 1 and 2 Appendix.3C, these items were discussed with the supervisory team and revised. The third level is the changed items which represented 11 % of the items. All these items were replaced to more improved ones (see Table 3, Appendix.3C). The fourth level is the removed Items. As addressed in Table 4 Appendix.3C, just 5 % of the questionnaire items were removed, because they obtained low values in the normative side of representativeness for the research aims, and there were other recommended items that measure the same aspects. After revising the items, and discussing them with the supervisory team, the questionnaire and the interview' questions were written in the final forms, and ready for the fieldwork.

Even though the research instruments obtained an acceptable level of the content validity in the experts' review, it can be said that the questionnaire responses obtained a population validity which is a type of the external validity (Burns and Burns, 2008) which ascertains to what extent is the sample really representative of the target population. In accordance with this, as shown in section 6.4, the random stratified sampling was used in this research. Also, the sample was a large size (1,157 consumers) which reduced the sampling errors to 2.88 %. Consequently, the high representativeness of the current sample provided an acceptable level of the population validity.

6.4.2. Pilot Study

Before the whole sample was surveyed, a pilot survey was conducted. The main purpose of the pilot study was to resolve in advance, any possible problem in terms of questionnaire distribution, respondent understanding and assess, and/or confirm, the reliability of the questionnaire scales. Regarding to the sampling of the pilot study, there is no generally accepted method or guidelines to determine the pilot sample size precisely, because this matter is left to the discretion of the researcher (Gillett, 1989). However, the literature has recommended that if the pilot sample was about 60, the bias would probably be small enough to be ignored. Indeed, when the size exceeds 60, the need to adjust for bias is no longer present (Adams and Shiffler, 1987, 1989; Essoo, 2001). These concerns were considered to accomplish a good level in the scale development process. The current pilot sampling was designed to consist of 90 individuals (Libyan consumers) who were selected through the same method of the whole research sample (shown in section 6.3). The sample size was 90 in order to cover the three Libyan regional capitals ($3 \times 30 = 90$).

In determining reliability of the current research, the internal consistency – which is the most common method – was used for establishing reliability in such research (DeVellis, 2003). The internal consistency of scales is typically assessed using Cronbach's Alpha coefficients. This technique is very useful in developing the scales of such research, as it indicates if the items are measuring the same construct (Burns and Burns, 2008). Internal reliability of questionnaire's items was assessed using Cronbach's Alpha. The scale produced an alpha of 0.793 which indicates a good acceptable reliability (Reynaldo and Santos, 1999; Burns and Burns, 2008). Also, the reliability of each individual scale is shown in the last columns in the tables of Appendix.4. The other items in the questionnaire were derived as formative measures, which do not require a

reliability test (Jarvis *et al.,* 2003). This result reveals that the different adopted items in the questionnaire have significant correlation. Consequently, the pilot survey revealed no major problem areas.

6.5. Sampling

The sample size of this research, as shown in Table 6.2, size was determined based on the table of Krejcie and Morgan (1970: 608). It was designed to consist 1,152 individuals, who were randomly chosen from the regional capital cities of Libya; Benghazi, Tripoli and Sabha, on a stratified basis. As the whole Libyan population, clearly, is distributed normally, this random sampling was selected to contain differences in the individual characteristics among Libyan consumers in these cities. The sample's individuals were defined as adult (18 years and above) Libyan consumers, who live in Libya and have, at least, reading and writing skills. This is because of the data collection tool is a self-completion questionnaire.

Table 6.3: The Target Population and the Sample Size

City	Population	Adults' Population	Sample
Benghazi	619,119	430,878	384
Tripoli	991,821	730,643	384
Sabhah	117,908	80,311	384
Total	**1,728,848**	**1,241,832**	***1,157**

*The maximum of sampling errors (95%) = 0.98 ÷ √ **1,157 = +/- 2.88%**

Source: (Libyan Census, 2006: 89-92)

In calculating the sampling errors, the sample of this research showed significantly an acceptable margin of errors (as 2.88% is less than 5%) with a confidence interval of 95% and probability of 50%. Furthermore, as there was no attempt in the sampling process to select certain sample elements over others, it can be considered that the sampling bias errors did not occur. It is notable here to say that … "*the concept of error does not imply incorrectness but acknowledgement that there is a variation between the parameter and the static used to estimate it*" (Burns and Burns, 2008:184). Therefore, the results of this research satisfy the considerations of generalisation issues.

For the second part of the research with interviews, in order to gathering evidence to determine whether or not the marketing programme in Libya are standardised, the researcher, first of all, determined the number of foreign companies in Libyan market. The documents of the Libyan Chamber of Industry shows that there are seven

companies which are GE, LG, Philips, Sharp, York, Hitachi and Delonghi. Interviews were, then, conducted with the managers who are responsible for the marketing campaigns of these companies.

The researcher identified the person in each company who is the most qualified to provide the required information, meet the knowledgeability criterion for key information and willing to participate (Theodosiou and Katsikeas, 2001). However, the owner manager was the person interviewed in an owner managed agency, wherever the marketing function was performed primarily by him. On the other hand, where an agency had an established marketing department as a specialised function, the marketing executive manager was considered as the most suitable respondent.

6.6. Fieldwork

During the course of the fieldwork in Libya, the researcher visited the three cities mentioned in Table 6.2. As these cities are the regional capitals of Libya, they were selected to distribute the questionnaire in them. This was in order to reflect the buying behaviour of Libyan consumers from these regions, and to obtain a representative sample of their individual characteristics. The interviews with marketing managers were conducted in two cities which are Benghazi and Tripoli, as the marketing departments of the target foreign companies in this research were in these two cities only.

The questionnaire was delivered to consumers by hand, mainly in home appliances shops. A 70 % response rate was achieved. The analysable questionnaires were 805 of 1,152. Libyan people were helpful and willing to participate in the research. The process of questionnaire distribution was based on give the respondents a choice to fill the questionnaire immediately, return it later. Most of them demonstrated commitment in returning the questionnaire with careful answers.

Regarding to the response rate in interview, the researcher conducted four interviews with the managers of foreign marketing programmes in Libya, out of the seven planned ones. These four foreign companies (LG, Philips, Sharp and Hitachi) are still operating in the Libyan home appliances market, whereas, the other three companies (York, GE and Delonghi) left the Libyan market during the last two years for financial and administrative concerns. As with consumers, marketing managers had a positive reaction in answering the interview's questions. They hosted the researcher in their

offices to conduct the interview. These positive aspects contributed to finishing the fieldwork in its planned time-schedule.

6.7. Data Preparation for Analysis

After data collection, the raw data was sorted, classified and coded in particular tables, in order to produce information that can be interpreted and understood. This process was carried out through questionnaire checking, coding and transcribing (Malhotra, 2007)**.** In the data coding, some considerations were taken into account, such as reversed words in some questions. Also, the question of consumer preferences (see Appendix.1) was coded through the permutation to classify the preference groups from the consumers' choices (Pose, *et al.,* 2002; Okechuku and Onyemah, 1999). Further, the question about the work in the questionnaire was categorised according to the respondents' jobs. They were seventeen jobs which fell into nine broad categories (i.e., Business/Professional and Education/Academic). Similarly, the questions that asked about the consumer's disposable income in terms of home appliances 'how many home appliances products that you bought in the last year?', and 'please estimate the cost of your home appliances as a percentage of your monthly income' were categorised into a decreased numbers of segments. The two re-categorisation processes were conducted to satisfy the requirements of some statistical tests (e.g., Chi-Square).

In the preparation of the interviews' data, as mentioned above, some interviewees' answers were required to be converted into quantitative data for the purposes of empirical analysis (Smith and McAleer, 1995; Kemp-Benedict, 2009). Qualitative data – in some cases – can be represented in mathematical expressions by a constant or a variable. However, as this process involves human judgment, there is not a prescribed association between a scenario and a parameter value. Indeed, it is difficult even for experts to pick quantitative parameter values in a consistent way (Kemp-Benedict, 2009). The following paragraph explains how this issue was sorted out in this current research.

As identified earlier, this current research seeks establish, 'to what degree do foreign companies adapt/standardise marketing programmes for Libya?'. In order to develop classification for foreign marketing programmes in Libya through determining its degree of standardisation, the interviewees were asked about their actual marketing practices (shown in Appendix.5) in marketing research, product decisions, pricing,

promotion, distribution and marketing control, on a three-point scale constituted as 'Standardised', 'Slightly adapted' or 'Adapted'. Table 6.3 demonstrates the used technique through identifying the two questions that were asked in each marketing practice to reflect different degrees of standardisation. The researcher provided the interviewees with some examples for the marketing terms that the questions included. For instance, the term of potential product was exemplified by packing, installation and warranties (Kotler, 2003). For more explanation about how the dichotomous yes/no formula technique which was used, to translate the qualitative scenario into quantitative parameters (Kemp-Benedict, 2009), it is necessary to present one scenario as follows.

One of the interviewees was asked if he adapts the potential product's components according to the desires of Libyan consumers, such as product packing and accessories. He said *"yes, the instructions on the air conditioner's pack are in Arabic, and we adjust the length of the tube between the internal and external unit according to the average of the walls' thickness of Libyan buildings"*. On the other hand, *he confirmed that they do not adapt the basic product, such as air conditioner's power and system, according to the desires of Libyan consumers as they just market it with standard international features*. Consequently, these answers were quantised to "*Yes, we do minor adaptation*" (✓) and *"No, we do not apply core adaptation"* (✗) which enable the researcher to categorise them in "Slightly Adapted" level.

Table 6.4: The Scale of the Standardisation Levels in Marketing Practices

The Marketing Activity		The Standardisation Levels		
		Standardised	Slightly Adapted	Adapted
Marketing Research	We use the ready-made information about Libyan consumers	×	✓	✓
	We carry out the surveys or research on Libyan consumers	×	×	✓
Product Decisions	We adapt the product packing (Potential product) according to the desires of Libyan consumers	×	✓	✓
	We adapt the product decisions (basic product) according to the desires of Libyan consumers	×	×	✓
Pricing	We adapt the discount levels according to Libyan market	×	✓	✓
	We adapt prices according to Libyan market	×	×	✓
Promotion	We adapt the sales promotion campaign according to Libyan market	×	✓	✓
	We adapt the advertising message according to Libyan consumers	×	×	✓
Distribution	We adapt the flows and levels of distribution channel according to Libyan consumers	×	✓	✓
	We adapt the system of distribution channel according to Libyan consumers	×	×	✓
Marketing Control	We collect feedback from the selling points about Libyan consumer to prepare suggestions for the marketing department in the mother country	×	✓	✓
	The marketing department in the mother country request the specific reports and information about Libyan consumers to consider them in the design of marketing programme	×	×	✓

✓ Mark means "Yes"

× Mark means "No"

6.8. Conclusion

Although the current research investigates the consumer buying behaviour toward marketing programmes in one country, dealing with consumer research and studying the surrounding influences is not an easy task (Wolfe, 1998; Luna and Gupta, 2001; Kotler, 2003). Therefore, the adoption of the appropriate research design is a critical issue in such research to obtain and validate its contribution (Craig and Douglas, 2005).

As the methodology can be considered as the bridge between the theoretical base of the research and the empirical study, the researcher has prepared a background for it. This was conducted through reviewing the relevant literature (chapters 2, 3 and 4) and operationalising the research concepts (Chapter.5) to illustrate the dynamic of buying behaviour, which is the unit of analysis. It embodies a highly appropriate dependant variable of this research which investigates the consumer's decision – of whether or not to buy a product – in the context of the consumer research targeted toward companies selling goods (Bazerman, 2001). In this chapter, the methodological considerations in carrying out consumer behaviour research were discussed, suggestions were made on how to deal with them, and the adopted research design was presented (Table 6.4).

Table 6.5: The Adopted Research Design

Research Philosophy	Mainly Positivism
Research Perspective	Cognitive
Research Approach	Deductive
Research Type	Descriptive
Research Structure	External influences study
Unit of Analysis	Consumer buying behaviour
Information Sources	Consumers and marketing managers
Research Strategy	Variable-oriented
Research Method	Quantitative
Research Instruments	1. Hand delivered, self-completion questionnaire 2. Face-to-face, structured interview
Research Sampling	Stratified random
Research Constructs	The first column in Table 6.2 and 6.3

The previous sections highlighted that the external influences research cannot be treated as a mere attempt to understand buying behaviour of consumers in a single country (Craig and Douglas, 2005). In point of fact, the current research applies the constructs of consumer behaviour (Gaski, 2008), which are commonly used on global levels (Dawar *et al.,* 1997; Luna and Gupta, 2001), to study the consumers from the same cultural context, who are exposed to foreign marketing stimuli from different country origins.

In particular, methods of data collection for the study were consumer survey (questionnaire) and structured interview with marketing managers. Both methods were employed, because the building of consumer buying behaviour model toward the foreign marketing requires data from the two views. Regarding to dealing with the two different types of data (qualitative and quantitative), the researcher used a technique to convert the collected qualitative data from the interviews into quantitative ones (see Table 6.3) (Kemp-Benedict, 2009).

Generally, this chapter concluded, with an overview of the appropriate criteria, that the current research needs to adopt every single component in the design above (shown in Table 6.5), as its data are combined from people (consumers and managers) and theoretical issues (Arnould and Thompson, 2005). Obviously, this is in order to produce information and results that are (1) useful for marketers who are concerned about developing western-style economies (2) leading to develop a model of consumer behaviour in the context of Arabic speaking countries (3) contributing to the lively debate between standardisation and adaptation perspective in terms of the national culture's role in global marketing.

In the following chapter, the collected data analysis, interpretations and the examination of the proposed model will be presented.

7. CHAPTER 7: DATA ANALYSIS AND RESULTS PRODUCED FROM THE INTERVIEWS AND CONSUMER SURVEY

The contents of every database are structured to correspond to insights that are already recognised, not ones that are not (Coyne, et al., 2007:72)

7.1. Introduction

In this chapter, the data analysis is conducted leading to the presentation and discussion of the empirical results of the current research. This task requires the processes of ordering, manipulating, and interpreting data to obtain answers to the research questions (Green *et al.,* 1988). As the purpose of the data analysis is to produce information that will help address the problem at hand, it embodies the fundamental stage in the project, which links between the collected data and the practical findings.

As mentioned in the previous chapter, this current research employs the data that were collected from two sources; marketing managers and consumers. Hence, it is necessary to address the strategy of data analysis prior to the presentation of results. According to Malhotra (2007), the selection of the data analysis strategy begins with the considerations of problem definition, development of the approach and research design. As these considerations were discussed in Chapter.6 (see Table 6.4), the focus, here, is centred on the selected analysis techniques and which reflect the construction of the research objectives (Kent, 2007).

As mentioned earlier, the current research consist of two phase. In analysing marketing managers' responses (Phase I), the descriptive analysis is manly used. In the consumer survey (Phase II), the data analysis strategy is (1) displaying descriptive statistics (2) drawing statistical inferences (3) evaluating research hypotheses against data (4) explaining discovered relationships between variables (Ibidem). These strategy's processes appears appropriate for such research which is designed as a descriptive type (Craig and Douglas, 2005) with cognitive prospective (Marsden and Littler 1999) and external influences structure (Belk, 1988, cited in Craig and Douglas, 2005:166).

Accordingly, this chapter is structured into four parts. The next section describes the data analysis process and procedures. In section.7.3, the results produced from the interviews with marketing managers are presented (Phase I). They demonstrate the

actual marketing practices in Libyan market; then the potential factors in the degree of standardisation are examined. In section.7.4, the consumers' responses toward foreign marketing, their attitudes toward the companies' philosophy and their behavioural aspects are analysed and presented (Phase II). Finally, in section.7.8, the proposed relationships between research variables are evaluated within the research framework.

7.2. Data Analysis Process

As mentioned previously, the research data were collected from (1) the marketing managers of foreign companies in Libya and (2) Libyan consumers. The analysis of consumer data is conducted at the mass (aggregated) level, whereas the data that were collected about the companies are analysed individually for each company. The individual level, here, is necessary in order to reveal the differences in their marketing practices and relationship between each adopted degree of marketing standardisation and consumers' responses toward it.

According to the current strategy of data analysis above and the research process (shown in Figure.7.11), descriptive statistics (e.g. frequencies, means and percentages) are used in the first phase (managers interviews) to reveal the companies' features and the perceptive of their marketing programmes. In the second phase (consumer survey) the descriptive statistics are also used to demonstrate the individual characteristics and buying behaviour aspects of Libyan consumer. Beyond this, the ANOVA, multiple-regression, cross-tabulation and Chi-square tests are employed to investigate the relationships between the dependent and independent variables. Besides, and to build a model for buying behaviour of Libyan consumers, AMOS package of statistical techniques (SEM/CFA) were used to specify, estimate, assess, and present the model in an intuitive path diagram to show hypothesised relationships among variables.

As the data analysis process was presented above, the next four sections preview the data analysis using the statistical tests above, and show the results which are produced from the fieldwork.

Figure.7.7: The Marketing Research Process

The research type

Descriptive

Cognitive

Examine findings of previous research in consumer behaviour and global marketing issues

Examine the theory of consumer buying behaviour and standardisation perspective

Design Research
- *Problem*: identifying the effect of foreign marketing programmes on the buying behaviour of Libyan consumers
- *Variables*: Consumer Buying Behaviour (DV), Individual Characteristics (IV) and Foreign Marketing Programme (IV).
- *Structure*: Direct/Indirect External Influences Studies.
- *Instruments*: Questionnaire and Interview
- *Sampling*: Stratified Random
- *Analysis Strategy*: Display descriptive data, draw inferences, evaluate research hypotheses and explain relationships.

The Fieldwork

Phase I: Large consumer survey (805 consumers)

Phase II: marketing managers structured interview

Analyse quantitative data using statistical techniques to produce generalisable results

Develop model of consumer buying behaviour and determine the role of culture/individual characteristics in designing marketing programme across countries

Source: (Craig and Douglas, 2005: 28)

156

7.3. Research Phase I: Marketing Managers Interviews

The interviews' questions to the marketing managers were centred about what they actually do in Libyan market in terms of the marketing programmes that are directed to Libyan consumers. In other words, the conducted interviews reveal the actual foreign marketing practices in Libyan market. For ethical considerations, the current research does not reveal these companies by their names in the analysis or results. Rather, the letters/labels (Co. A, Co. B, Co. C and Co. D) are used to refer to them. This is in order to achieve the avoidance of the information risk for these companies. The companies' names are only appeared in the next section (companies' profiles). Further, the names are also displayed in the analysis of data that were collected from consumers, as in this instance, they embody consumers' preferences.

7.3.1. Who are the Companies under Research?

Before the analysis of marketing practices, it is useful to provide some information about the companies under investigation. As mentioned previously (see section.6.5), there are four foreign home appliances companies operating in Libyan market. They are SHARP, Philips, LG and Hitachi. The researcher conducted four interviews with the persons who are *responsible for* the marketing activities in these companies. Table 7.5 illustrates the underlying information about these companies in Libyan market. The information in the table is mainly collected from the interviewees, but some of them are from these companies' official websites.

It is necessary to mention here that the structured interviews were conducted with these four foreign companies' suppliers (agents) in Libya. This was in order to know how these suppliers presently interpret the need for adaptation in Libya. In other words, the interviewees provided information through their answers about marketing implementations of these foreign companies in Libyan market.

Table 7.6: Information about the Companies under Research in Libyan Market

Company's logo	Mother Country	The international market	The interviewee	Mode of Entry (Local Supplier's name)	Entry time to the market	Offered products in the market
SHARP	Japan	164 countries	Sales Manager	Local Agency (Al Ethaar/ Jebel Ali Co)	5 years ago	Electronics and home appliances
PHILIPS	Netherlands	60 countries	Owner Manager	Local Agency (El Reef Electrical Products)	16 years ago	Lighting, electronics and home appliances
LG	Korea	80 countries	Marketing Manager	Local Agency (LG International/Akida Company)	15 years ago	Electronics and home appliances
HITACHI	Japan	45 countries	Sales Managers	Local Agency (El Helal Club Shops)	5 years ago	Electronics and home appliances

From the table above, it is notable that all companies operate across countries and, therefore, they are appropriate for such research which investigates the marketing implementations across the world. Although the four companies are different in the entry time, they have entered Libyan market through the same mode. This adopted mode of entry (Local Agency) is a less involved means of operating in-country as it does not highly involve local incorporation such as foreign direct investment. Nevertheless, some other companies in other industries, than home appliances, do not rely on this mode is somewhat discomfiting, because they consider the individuals serving as agents have little relevant technical or legal experience (US & FCS, 2006).

In spite of the fact that the entry time reveals the companies presence in Libyan market, it does not reflect the entry time of their products and brand. This is because most of these brands have been available in Libyan market before the entry times via exporting, or state owned institutions in the past Libyan socialism era. Only Hitachi Company's products have entered at the same time of its entry. Regarding to the other companies' presence in Libyan market, Philips Company has the oldest entry time. However, the company was operating only in lighting products market, and it has entered in home appliances market in Libya a few years ago. Consequently, except LG Company, the three other companies have entered in home appliances market in Libya – approximately – half decade ago. It is worthy of notice here that the local agency of LG company has the oldest entry time to home appliances market in Libya. Also, it was the only company that has a marketing division. This could imply to the fact that the period of experience in Libyan market plays a role in developing the position of marketing function in the company's subsidiary.

7.3.2. Standardisation Degree of Foreign Marketing Programmes in Libya

(Items in Appendix.5, I: a to f)

As addressed previously (see section 1.2), the current research seeks to answer four questions. In this section, the presented and discussed results are in order to answer the first question (Q1), *to what degree do the foreign companies adapt/standardise their marketing programmes in Libya*. Table 7.6 exhibits the range of the standardisation levels which were illustrated through the questions of interview about the activities of

marketing programme (see Appendix.5). The measurement process of these questions is discussed in section.6.5 and Table 6.3.

Table 7.7: Standardisation Levels of Foreign Marketing Programmes in Libya

The Marketing Activity	Co. A	Co. B	Co. C	Co. D
Marketing Research	Standardised	Slightly Adapted	Adapted	Standardised
Product Decisions	Standardised	Standardised	Slightly Adapted	Slightly Adapted
Pricing	Standardised	Slightly Adapted	Adapted	Standardised
Promotion	Standardised	Slightly Adapted	Slightly Adapted	Standardised
Distribution	Adapted	Adapted	Adapted	Adapted
Marketing Control	Standardised	Slightly Adapted	Adapted	Slightly Adapted

The table above reveals the marketing practices of the four companies in Libyan market according to the interviewees' answers. Generally, the companies tend to apply standardisation perspective in most of their marketing activities. This might support the notion that it is easier for companies to utilise a standardised strategy in countries with lesser developed economies when compared to economically developed and advanced countries (Melewar *et al.,* 2009). However, this is with considering that Slightly Adapted level does not reflect the adoption of adaptation perspective in the marketing programme. As mentioned previously (see section.6.5), Slightly Adapted level means that the company just conducts minor modifications in their marketing programme to satisfy Libyan market conditions.

However, the only exception from standardisation is the distribution, which was highly adapted across the four companies. The mother companies authorise the distribution management to the local agency and give absolute discretion in respect of stocking, flow and outlet choice. Local Libyan agencies adopt a flexible approach to distribution using both major retailers and small shops, all offering a free delivery service. This conforms to a general model of international marketing mix structure whereby, in a goods marketing framework, product, promotion and pricing are more likely to be centrally controlled than is 'place' (Rafiq and Ahmed, 1995). In this context, some

products' success, which is dependent on the retailer efficiency (Kotler, 2003; Dibb *et al.,* 2006) may explain this delegation.

Beside the notable row of distribution activity in the table above, the column of company C appears different than the other companies. This company does not completely standardise any component of their marketing programme. Its marketing manager demonstrated that the local agency requests removing some features in the home appliances, because Libyan consumer doesn't use them. Also, they request a certain design of the TV's remote-control which Libyan consumers are familiar with. In contrast, the company A adopts the standardisation perspective in most elements of their marketing programme. The marketing activities of the other two companies fell into between Standardised and Slightly Adapted levels.

7.3.3. The Differences between the Home Countries and Libyan Market

(Items in Appendix.5, I: g)

In order to obtain a more detailed picture on the actual marketing practices of foreign companies, the interviewees were also asked to provide a view on the degree of similarity between specific marketing programme features in, a) Libya and, b) their home country (Appendix.5: Ozsomer and Simonin 2004). Here, the purpose is identifying the elements of marketing programme that are most and least standardised across countries (Ozsomer *et al.,* 1991). The marketing mix element with the highest mean rating is the brand name, which is considered as the most standardised element of marketing programmes worldwide (Alashban *et al.,* 2002). However, the other two product-related elements are mostly standardised, whereas distribution practices are the least standardised element of the marketing mix. This is can be ascribed to the flexible distribution strategy that the local agencies adopt. The managers interviewed remarked that in distributing home appliances, they depend on their relationships network, especially the personal ones.

As the products under investigation are televisions, refrigerators and air-conditioners which mainly target families and householders, considerable similarity exists in the product positioning element.

Table 7.8: Similarity Levels for Marketing Programme Elements

Marketing Mix elements		Means *
Product	Product Physical Characteristics	4.75
	Brand Name	5.00
	Packaging	4.25
Promotion	Sales Promotion	2.25
	Product Positioning	4.25
	Advertising Theme	3.50
	Media Allocation	4.00
	Advertising Copy	3.75
Pricing	Pricing policy/method	4.00
Distribution	Distribution Channels	1.00
	Customer Service	4.00
	Role of Sales Force	4.00

* *Scale Values: 1 (Different); 5 (Similar)*

The high mean the high similarity

7.3.4. Factors Affecting Marketing Programme Standardisation

(Items in Appendix.5, II: a to d)

The literature of global marketing has presented many models to determine the factors which influence on the degree of standardisation for the marketing programme across countries (e.g., Kotler, 1986; Jain, 1989; Siraliova and Angelis, 2006; Viswanathan and Dickson, 2007). Mostly, these factors exist in the market, environment and organisation, as well as the consumers' responses toward marketing. The interviewees were asked about *product features*, *mode of entry*, *headquarters-subsidiary relationship* and *competition* (see Appendix.5). This was in order to contribute to the research framework (see Figure.5.8) and provide some insights for the future research.

7.3.4.1.Product Features

In order to determine the *product features* as the potential influencing factors on the degree of standardisation across countries, the model of the international decision process was used (Kotler, 1986; Jain, 1989). The interviewees were asked about the required changes of their products to enter Libyan market (see Appendix.5). As the standardisation marketing programme will be facilitated when a product meets a

162

universal need, or requires a minor adaptation across global markets (Jain, 1989; Viswanathan and Dickson, 2007), the three questions were designed to illustrate how their marketing programmes are influenced by product features in terms of standardisation. The product's features embody a key concern for the foreign marketers in some countries in the Arabic World. The nature of the regions' legal system can pose several problems to foreign companies. According to Leonidou (1991), there are a number of compelling factors which require some product adaptations in some countries of the Arab World. These include, for example, cultural factors (e.g., the prohibited consumption of certain products by Islam) and legal factors (e.g., specific quality standards). However, Libya and some other Arabic speaking countries have modernised their legal system and bring it closer to the western standards.

Table 7.9: The levels of home appliances adaptation in Libyan market

The product features adaptation	Co. A	Co. B	Co. C	Co. D
Do home appliances require some changes to enter Libyan market?	No	No	No	No
Does the company develop a regional home appliances design?	No	No	Yes	No
Do you use universal brand names, packing, and colours?	Yes	Yes	Yes	Yes
The home appliances decision in Libyan market	Similar with international markets	Similar with international markets	universal brand with regional design	Similar with international markets

From the table above, most of home appliances' features in Libyan market are quite similar with the international market. Only Co. C develops a regional products design to meet the consumers' needs and preferences in Arabic speaking countries. The tendency to market the similar product with the international markets in Libya can be ascribed to the fact that electronic products and home appliances are considered most appropriate for global brand strategies (Jain, 1989; Dawar *et al.,* 1997; Kotler, 2005).

7.3.4.2. Mode-of-Entry

In the investigation of *Mode-of-entry* as another factor that can influence on the degree of standardisation, all foreign companies of home appliances in Libyan market entered via Local Agency (see Table 7.5). However, the Local Agency choice as the low level and indirect entry mode is appropriate for these companies who market similar products across countries. Furthermore, global companies tend to apply such level of entry when they intend to penetrate the markets of the developing countries (Schuh 2000; Griffith *et al.,* 2002). All four managers reported that headquarters were happy with this means of instituting a foothold in the Libyan market. There appeared, too, to be no intention to change this arrangement for the foreseeable future.

7.3.4.3. Headquarters-Subsidiary Relationship

The interviewees were asked about the *Headquarters-subsidiary relationship* in order to illustrate the conflicts that may arise between the foreign company and its subsidiary in Libya (Local Agency). They were asked if there is consensus between them (as a subsidiary) and their headquarters with key standardisation issues (Appendix.5: Jain, 1989). The managers' responses reveal that there is a considerable consensus on standardisation issues between the foreign companies and their local agencies. However, relationships between the two parties were not conflict-free, and it was clear that suppliers believed their priorities should, ultimately, hold dominion over those of their local partner. The local manager for Company C, for example, complained of head office demands for sales-person training at exactly the same time that the agent needed full employee cooperation for the preparation of annual financial reports. Consequently, the headquarters-subsidiary relationship in the current analysis can be considered as a motivating factor which contributed to transfer the standardised marketing programmes from the companies' mother countries to Libyan market.

7.3.4.4. Competition-Related Factors

As mentioned earlier (see section.5.4), this investigation is not extended to the whole operations of these companies, because this task requires an integrated strategic evaluation process, whereas this research focuses on marketing implementations in Libyan market. Therefore, the competition levels, as another influencing factor on the degree of standardisation are studied via the interviewees' perspective about the considerations toward competitors in their marketing decisions. This was in aiming to reveal the level of competition that they are operating in, from their point of view. Here,

the *Competition* refers to the actual and potential offerings, and substitutes that a company might consider (Kotler, 2003).

The results showed that three local agencies (A, B and D) evaluate current competition at the home appliances market level only (direct or category competition) but that Company C widened its perspective to include possible substitutes – or other products in other categories that might represent alternative spending opportunities (indirect competition). This observation implies that Company C is more aware of the wider impact/nature of competitors, and has a different view of the market. Jain (1989) suggested that a relatively low level of competition was likely to foster a tendency toward standardisation, whereas in high competition markets organisations may feel compelled toward adaptation. It was noted earlier that Company C's products were adapted more than those of other, competing, overseas suppliers and it may be that – as a consequence of its wider/more nuanced perspective – it identified adaptation imperatives that other organisations didn't.

The findings that have resulted from the interviews analysis above (Phase I) provide a clear picture of the actual foreign marketing practices in Libyan market. Also, the results exhibit market-related influencing factors on the adopted degree of standardisation. Generally, these results support some conclusions of Michell, Lynch and Alabdali (1998). They concluded that multinational companies tend to treat the six Arabian Gulf States as a single market with only minor variations between each state. Also, they found that the level of intensity of competition and integration of the marketing function were influencing variables on the degree of standardisation. However, in order to answer the remaining research questions (Q2, Q3 and Q4) (see section.1.2), the analysis and results above should be combined with the results of the major questionnaire survey of Libyan consumers (Phase II). This is presented in the next sections.

7.4. Research Phase II: Consumer Survey

7.4.1. Characteristics and Features of the Research Sample

(Items in Appendix.1, Part.I)

A questionnaire assessing knowledge, intentions and behaviours toward consumer foreign home appliances products was completed by 805 (70% response rate) Libyan consumers in the three regional capitals (see section.6.4). Participated consumers in this research are the general public. They represented different segments of gender, age, marital status, education, work and other characteristics as detailed in Table 7.9.

Table 7.10: Respondents' Profile

Gender (n)	
Male	(438)
Female	(367)
Marital Status (n)	
Single	(499)
Married	(289)
Divorced	(12)
Widowed	(5)
Education Level	
% Under the university level	30.80
% University level and higher	69.20
Work	
% No answer	43.20
% Business and Professional	31.60
% Education and Academic	13.20
% others	12.00
Average Age (years)	**31.2**
Asset Wealth	
Percent Owning ≥ 1 Home	63.60
Percent Owning ≥ 1 Car	47.00
International Exposure	
% Having Visited ≥ 2 Non-Arabic Countries	35.50
% Speaking 1 Language	44.60
% Speaking ≥ 2 Languages	3.10
% Non-Libyan mother	13.10

Table 7.9 revealed that this sample profile revealed the same society structure of Libyan population in terms of the rank – based on frequency – of gender and marital status' segments. This is because the last Libyan Census (2006) reported that the percentages of male, single and married were 50.73%, 53.60% 42.05% respectively which are quite close to the percentages of the research sample shown in Table 7.9.

Furthermore, an appropriate match was appeared between the product category and sample' profile. Table 7.9 shows 63.60% of sample owning at least one house. Also, as the home appliances are sharing-use products between family's members, the nuclear and extended families are mainly targeted segments in the consumer life cycle (Peter and Olson, 2008). Moreover, the young couples, especially in the Arabic World, prefer to set up their own households to form nuclear family (Assad, 2007). The current sample's average age (31.2 years) slightly matched the 1st-time marriage average age in Libyan population (32.5 years), which is the age that Libyans start in to prepare the family nest, and buying home equipments and appliances (Libyan Census, 2006).

Additionally, as the current research aims to study the direct and indirect marketing external influences, the research should investigate the buying behaviour of those visiting another culture and those who have a little or no exposure to external influences (Craig and Douglas, 2005). Similarly, the sample characterised in Table 7.9 showed a considerable international exposure through speaking foreign language(s) and visiting more than country outside the Arab World, which is appropriate exposure to examine their buying behaviour toward foreign marketing programmes in Libya. Some marketing researchers have indicated that such segment of consumers who are graduated from foreign universities, use English language in their business and continuously exposed to foreign cultures has been remarkably increased in the Arab World (Leonidou, 1991; Tuncalp and Erdem, 1999)

7.4.2. Disposable Income and White Goods Purchases

(Items in Appendix.1, Part.I)

In order to determine how Libyan consumers are influenced by marketing programmes according to their individual characteristics, the current research sought to inspect – beside the characteristics above – their socio-economic status (Dawar *et al.,* 1997).

Although these statuses are often measured through questions about income, asking direct questions about income is very sensitive in Libyan culture. Therefore, participants were asked to estimate their disposable income for home appliances purchases as a percentage of their monthly income.

Here, it is necessary to mention that the monthly income was used as the base of estimation, because the majority of official transactions in Libya are conducted on such base (e.g. salaries, taxes and personal loan instalments). Also, they were asked that did they purchase white good(s) in the last year and from which brand. The latter two questions were in aiming to reveal the consumers in the sample who were involved in home appliances buying decision recently, and what brands did they prefer, or which preferred brand to buy.

Table 7.11: Disposable Income and White Goods Purchases

Disposable income as a percentage of monthly income	%
1% : % 25% of monthly income	12.80
26% : % 50% of monthly income	61.40
51% : % 75% of monthly income	9.60
75% : % 100% of monthly income	9.20
Over 100%	7.00
The purchased home appliances in the last year	
Did not purchase	32.80
Purchased ≥ 1 Home Appliances Product(s)	67.20
The most 5 preferred brands in home appliances purchases	
LG	34.90
Daewoo*	8.70
SHARP	7.30
J. V. C*	4.50
Sony*	4.50
32 different brands**	40.10

Exported products. There is no Local Agency in Libyan market

** These brands include Hitachi (1.3%) and Philips (0.6%)*

The table above illustrates that the highest percentage of consumers (61.40%) estimated that the home appliances purchases, cost them approximately half of their monthly income. The percentages of the disposable income above, implies to the fact that although the companies' efforts toward reducing the home appliances prices, they did not well-match the majority of Libyan consumers' purchasing power. Regarding to the

sample features in terms of home appliances purchase, most of participants (67.20%) were involved in white goods buying decision, at least one time in the last year.

In determining the most preferred brands in the consumers' purchases, a considerable superiority existed for LG Company. This can be ascribed to the fact that the local agency of LG Company has a good experience (15 years) in the home appliances market in Libya. Moreover, it cares more about marketing activity comparing with the other three companies under investigation.

7.4.3. The Purchase Intention Level of Libyan Consumers

(Items in Appendix.4, I: e and f)

Five items were used based on MCQ format to measure the level of consumer's purchase intention in the next six months of home appliances purchasing (Yi, 1990; Teng *at el,* 2007). Participants' responses in the top sub-table of Table 7.11 showed that 22.2% of them have a high level of intention, while just 9.2% decided that they will definitely not buy home appliances in the next six months. The two factors which intervene between the purchase intention and the purchase decision were measured. Consumers were asked about (1) their attitudes toward the others who are surrounding consumer, such as his/her family, friends or neighbours (2) unanticipated situational factors, which play a critical role in adjusting consumer's purchase intention (Kotler, 2003). The unexpected advice from a salesman on the store was used as a proxy of the latter factor.

As the analysis of multiple-regression is a multivariate statistical technique that can be used to analyse the relationship between a single dependent variable and several independent variables (Fox, 1997), it was carried out to investigate the factors between the purchase intention and decision (Peter, 1981). Although this test can be conducted on purpose of the prediction of the dependent variable with a set of independent variables, the purpose of the analysis here is to objectively assess the degree and direction of the relationship between dependent and independent variables (Burns and Burns, 2008).

A standard multiple-regression was performed between the level of purchase intention (DV) and the three items which embody the influencing factors on the intention (friend, family and salesmen) as IV's. The adjusted squared multiple correlation was not significantly different from zero ($F= 0.430, P> 0.05$) and the variation in the DV was not explained by the set of IV's, as the value was minus.

Table 7.12: The Purchase Intention of the Next Six Months

How likely are you to buy home appliances products in the next 6 months?		
Response choices	**n**	**%**
Definitely will	179	22.2
Probably will	195	24.2
Not sure one way or the other	276	34.3
Probably will not	81	10.1
Definitely will not	74	9.2
Total	**805**	**100.0**

Model Summary **

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.040*	.002	-.002	1.201

ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.863	3	.621	.430	.731*
	Residual	1155.732	801	1.443		
	Total	**1157.595**	**804**			

* Predictors: (Constant), A salesperson, My friend, My family could change my purchase decision
** Dependent Variable: How likely are you to buy home appliances in about the next 6 months?

Coefficients *

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	**Std. Error**	**Beta**		
1	(Constant)	2.424	.214		11.335	.000
	My friend could change my purchase decision.	.014	.051	.012	.285	.776
	Advice from one of my family could change my purchase decision	.043	.055	.034	.783	.434
	A salesperson in the store could change my purchase decision.	-.013	.041	-.011	-.307	.759

* Dependent Variable: How likely are you to buy home appliances in about the next 6 months?

Accordingly, the results above demonstrated that the advice from friend, one of family members and the salesman in the store, do not play an important role in affecting the purchase decision. This result can be ascribed to the buying process of products such as home appliances, where the consumer makes an effort in the stages prior the purchase decision (Kotler, 2003). In spite of the statistically significant regression, the three items above reveals a remarked tendency of participants to consider these advices as their mean values were 3.74, 3.84 and 3.66 respectively ($M > 3.00$). However, some research on some Arabic speaking countries (e.g., Gulf States; Leonidou, 1991) mentioned that the decision to buy major home appliances as well as their actual purchase is usually the business of the family head, which might explain the independency of purchase decision in the current results.

After the previous preview of the sample characteristics, disposable income and white goods consumers' purchases, the next sections in this chapter present the buying behaviour, attitudes and behavioural aspects of Libyan consumers toward the foreign marketing programmes in Libya.

7.4.4. Consumer's Response toward Foreign Marketing Practices

(Items in Appendix.4, I: a to d)

The results presented in this section are related to the answering of the second research question (Q2); *how are Libyan consumers influenced by these foreign marketing programmes*. As mentioned in chapter 6, the current research adopts the cognitive perspective (Marsden and Littler, 1999), which focuses on how consumers mentally process, store, retrieve and use marketing information in the decision making process (Tybout and Artz, 1994). Therefore, the influence of marketing programmes on buying consumer behaviour is investigated *through* adapted measures of attitudes, sentiment and consumer evaluation toward marketing (Gaski and Etzel, 1986; Dawar *et al.,* 1996; Gaski and Etzel, 2005; Gaski, 2008). Also, the current research adopted the four Ps as the components of the marketing programme, as consumer buying behaviour in the global marketing context has been studied, even in the Arab World (e.g., Souiden, 2000), via customer response to the marketing mix (Viswanathan and Dickson, 2007). However, the debate about considering the marketing mix (MM) as the prevalent and

indispensable element of marketing (Constantinides, 2006; Zineldin and Philipson, 2007) was discussed in Chapter.2.

The consumers were asked in the questionnaire (see Appendix.1) about the elements of foreign marketing programmes in Libya. As exhibited in Appendix.4, 31 items were used to reveal the behavioural influence of the foreign marketing programmes on Libyan consumers through the weighted mean values of participants' responses. As discussed in chapter 5 (see section 5.6.1.2 and section 5.6.3), the adopted measurement of the consumer's response in this research is Reflective First-order, Formative Second-order (Type II in Jarvis *et al.,* 2003: 205).

Although this measure has been examined through factor analysis and validation tests for over two decades (Gaski and Etzel 1986, 2005; Gaski 2008), its items were purified down to five items apiece per Cronbach's alpha and item-to-total correlation evidence (Gaski, and Etzel, 1986, 2005; Gaski, 2008). This specific purification was conducted because this measure (consumer sentiment) is designed based on Churchill's measurement development process which requires such validation procedures (Churchill and Iacobucci, 2005; Gaski, 2008). Also, this items reduction procedure provides more validity for this measure in the further statistical analysis (CFA/SEM). Consequently, the used items in this analysis (5 × 4 = 20 items) are those have acceptable item-to-total correlation in Cronbach's alpha test (shown in Table 7.13), whereas the other 11 items were eliminated because of its low correlation.

Before discussing these items' scores, the levels of consumer's response which reflects the marketing influence should be addressed and explained. Table 7.13 illustrates the three levels of marketing influence (No, Moderate and High Influence). They are calculated based on the weighted means of consumers' responses, which is a common method to study consumer's response, attitudes and satisfaction (e.g., Gaski and Etzel 1986, 2005; Vlachos *et al.,* 2003; Kim and Stoel, 2005; Rice, 2005; Gaski 2008). Here, it is necessary to mention that as the items were on Likert 5-point scale, the influence fell into three levels, whereas it would fall into four levels with using Likert 7-point scale. This is because the influence levels (moderate and high) should be equal to the agreement scale (Agree and Strongly Agree).

Table 7.13: The Levels of Marketing Influence based on Consumers' Responses

The Likert scale	Strongly Agree (SA)	Agree (A)	Neither (N)	Disagree (D)	Strongly Disagree (SD)
The values of responses *	5	4	3	2	1
The weighted means	Mean > 4.00	4.00 ≥ Mean > 3.00	Mean ≤ 3.00		
The marketing influence	High Influence	Moderate Influence	No Influence		

 * *The negatively worded items are with reverse scoring*

Table 7.13 reports the means of the four question sets of the components of marketing mix for Libyan consumers. The weighted means of the marketing mix elements show that only the product decisions and distribution channels have an influence on consumer's response, as their weighted means were greater than 3.00. Whereas the promotion activities and pricing decisions could not significantly affect the consumer's response (*weighted M < 3.00*).

The used items are illustrated in brief in Table 7.13 (see Appendix.4 for all and complete items). In the promotion-related items, it can be realised that Libyan consumers reported that most foreign advertisements do not consider the values of Libyan society (*M = 2.27, SD = 1.143*). Also, they viewed that the foreign advertising is annoying (*M = 2.87, SD = 1.134*), not enjoyable (*M = 2.97, SD = 1.204*) and makes false claims (*M = 2.40, SD = 1.070*).

Table 7.14: Means and Standard Deviation of the Marketing Influence

Marketing Mix	Items in brief	Mean	Std. Deviation	Weighted Mean
Product	Products have consistant quality *	3.47	1.094	**3.47 ***
	Products have good guarantee *	3.54	1.088	
	Maintenance and repairing	3.00	1.138	
	The expected quality of products *	3.61	0.988	
	I am satisfied with products *	3.71	0.992	
Price	Most products are overpriced	2.73	1.136	**2.68**
	The lower price could be still profitable	2.11	0.940	
	Most prices reflect reasonable costs *	3.32	0.993	
	The changing in prices is unjustified.	2.47	0.987	
	The pricing considers Libyan market	2.78	1.114	
Promotion	Ad is annoying	2.87	1.134	**1.70**
	Ad makes fales claims	2.40	1.070	
	It is better if Ad was eliminated *	3.12	1.167	
	I enjoy Ad	2.97	1.204	
	Ad doesn't consider the society	2.27	1.143	
Distribution	Most stores serve their customers well *	3.29	1.115	**3.35 ***
	Most retail salespeople are very helpful *	3.54	1.013	
	Most stores provide an adequate selection *	3.42	1.079	
	The assistance in stores isn't as expected *	3.16	1.091	
	Most retailers provide adequate service *	3.36	1.018	

* Moderate Marketing Influence (4.00 ≥ Mean > 3.00)

However, in global advertising, marketers often try to balance between using one advertising everywhere and adjusting it to match each domestic market context. This is what embodies a critical challenge to international marketers (Kotler, 2003). For example, the interviewed Philips local agent in Libya mentioned that the Local Agency in Libya requested from Philips Company to change the advertising copy which included children, as this theme is not desirable for Libyan consumer in the advertising of electronics and home appliances. Further, some researchers who have studied marketing/advertising in the Arab World (e.g., Erdem and Tuncalp, 1997; Souiden, 2000) concluded that the global companies should carefully examine contents of advertising message prior to advertising launching, because the cultural sensitivities in the Arab World which should be considered. For example, there is a certain consensus in the Arab World that nudity, vulgar words and use of sexual symbols should be banned. However, standardised advertising themes can be effectively used, but the

creative expression and media mix are most susceptible to the need to adapt (Melewar *et al.,* 2009).

In influence of pricing decisions, most price-related items produce low means. The lowest two in Table 7.13 were as a result of *the consumers' thought that companies could charge lower price and still be profitable* (*M = 2.11, SD = 0.940*), and *their feeling that the changing in home appliances' prices is unjustified* (*M = 2.47, SD = 0.987*). Here, it can be said that the international pricing strategies depend on the level of similarity between home and host countries in terms of many factors (Theodosiou and Katsikeas, 2001). Also, as the results above (see Table 7.6 and 7.7) revealed high standardised product decision of the foreign companies in Libyan market, it would be difficult and sometimes impossible for such companies to sell their products at different prices (Quelch and Hoff, 1986). Consequently, their prices could not match well the consumers' circumstances in different domestic markets. In contrast, Libyan consumers considered that the prices of foreign home appliances reflects reasonable costs (*M = 3.12, SD = 1.167*). With comparing this item's mean with the other ones of price-related items, it could imply that Libyan consumers are not satisfied with the profit margin that the foreign companies/local agents calculated.

Most product-related items, in contrast of promotion and pricing decisions, showed considerable influence of marketing on consumer's response (*M > 3.00*). Participants provided significant positive responses toward home appliances' features, quality and guarantee. Only post-purchase services were excluded, as the items' means were equal to 3.00 (No Influence). However, the weighted mean of the product influence was the highest one in the marketing mix (*M = 3.47*). This result can be justified by the fact that many of foreign home appliances companies develop their product based on a regional level (e.g. Middle East and North Africa) in aiming to satisfy the consumers' needs in these areas (Elizabeth, 2005; Ghemawat and Thomas, 2008), regardless of their mode of entry to Libyan market.

In the results of consumers' responses toward the distribution channels, all distribution-related items have a mean greater than 3.00. Libyan consumers appear satisfied with in-store services (*M= 3.29, SD = 1.115*) and the variety of selection (*M = 3.42, SD = 1.079*). The weighted mean was 3.35, which reveals a significant influence of the distribution activity. However, the analysis of the interviews (see Table 7.6)

demonstrated that the distribution activity was highly adapted to Libyan market by all the four companies. The interviewees reported that the mother companies authorise the distribution management to their local agencies. Therefore, it can be concluded that the adaptation of distribution activity enabled it to affect positively the consumers' responses toward marketing.

7.4.5. Consumers' Responses toward the Foreign Companies under Research

(Items in Appendix.4, I: a to d and Items in Appendix.5, I: a to f)

In the investigation of the relationship between consumers' responses and the degree of standardisation, Libyan consumers were asked about which brands they bought, or prefer to buy (see Table 7.10). These preferred brands include the four companies under research who are operating in the Libyan market, and the home appliances of the other 33 chosen brands which are *just* exported to Libyan market. The used cross-tabulation enables to identify significant relationships and comparisons between the marketing influence levels (see Table 7.12) and the degree of standardisation in the marketing mix of the companies under investigation (see Table 7.6) (Burns and Burns, 2008).

Table 7.14 exhibits how many consumers in the research sample prefer each brand of the foreign companies under research (see the frequencies in total column). It is notable that Co. C attracted more consumers than the other three. 281 consumers reported that they prefer its home appliances, whereas Co. A, Co. B and Co. D just attracted 59, 5 and 11 consumers respectively. Here, the superiority of Co. C might be ascribed to their efforts toward marketing mix adaptation, and the carefulness about the marketing function.

Regarding to the frequencies and percentages of consumers across the levels of marketing influence, it can be recognised in Table 7.14 that the four companies – even the other 33 brands – just produced high influence on a few consumers, while there is a moderate influence on a considerable number of consumers. Furthermore, in each company's marketing mix, the product decisions had the highest influence on consumer, and then the distribution channels came as the second influencing element (see the first

and fourth rows in each company's sub-table under the two columns of moderate and high influence).

The interesting result is that the relationship between the standardisation level of the marketing mix elements and the marketing influence on consumer cannot be significantly approved. For example, Company A's *standardised* product decisions had influence on consumers (31 moderate and 18 high) more than its *adapted* distribution channels (26 moderate and 15 high). Whereas, the Company D's *adapted* distribution channels had influence on consumers (2 moderate and 5 high) more than its *standardised* promotion activity (2 moderate). Consequently, it can be concluded that in the four studied companies the degree of standardisation/adaptation does not play a critical role in the effectiveness of the marketing mix elements.

Table 7.15: Marketing Influence across the Foreign Companies (Percentages/Frequencies)

Companies under investigation	Marketing Mix	The standardisation levels	Consumers across the levels of marketing influence			Total**
			No Influence	Moderate Influence	High Influence	
Co. A	Product	Standardised	16.9 (10)	52.5 (31)	30.5 (18)	100 (59)
	Price	Standardised	86.4 (51)	11.9 (7)	1.7 (1)	100 (59)
	Promotion	Standardised	67.8 (40)	27.1 (16)	5.1 (3)	100 (59)
	Distribution	Adapted	30.5 (18)	44.1 (26)	25.4 (15)	100 (59)
Co. B	Product	Standardised	0 (0)	100 (5)	0 (0)	100 (5)
	Price	Slightly Adapted	80 (4)	20 (1)	0 (0)	100 (5)
	Promotion	Slightly Adapted	40 (2)	60 (3)	0 (0)	100 (5)
	Distribution	Adapted	40 (2)	40 (2)	20 (1)	100 (5)
Co. C	Product	Slightly Adapted	28.5 (80)	43.1 (121)	28.5 (80)	100 (281)
	Price	Adapted	76.2 (214)	21.7 (61)	2.1 (6)	100 (281)
	Promotion	Slightly Adapted	71.2 (200)	24.9 (70)	3.9 (11)	100 (281)
	Distribution	Adapted	33.8 (95)	39.9 (112)	26.3 (74)	100 (281)
Co. D	Product	Slightly Adapted	9.1 (1)	54.5 (6)	36.4 (4)	100 (11)
	Price	Standardised	81.8 (9)	9.1 (1)	9.1(1)	100 (11)
	Promotion	Standardised	81.8 (9)	18.2 (2)	0 (0)	100 (11)
	Distribution	Adapted	36.4 (4)	18.2 (2)	45.5 (5)	100 (11)
The other 33 brands***	Product		27.2 (122)	50.1 (225)	22.7 (102)	100 (449)
	Price		71.3 (320)	27.2 (122)	1.6 (7)	100 (449)
	Promotion		65.5 (294)	29 (130)	5.6 (25)	100 (449)
	Distribution		35.9 (161)	39.9 (179)	24.3 (109)	100 (449)

All values are percentages of the sample. Numbers in parentheses are frequencies.

*** Note: Table does not sum to 100 due to rounding effects*

*** *Exported products. There is no Local Agency in Libyan market*

Nevertheless, it cannot be neglected that Co. C's marketing mix which is generally most adapted – as there is no standardised element in it – has a considerable superiority over the other three companies in terms of the influence on consumers. Therefore, these results could imply to the fact that the adopted standardisation level of some elements in the marketing mix does not affect its ability in producing positive influence on consumers' responses. Whereas, the adopted standardisation level of the marketing mix as a whole could prevent it to influence on consumers effectively. To investigate such a potential relationship, it needs an extended determination of the whole operations and strategies of these companies out side of Libya. However, as mentioned previously (see section 5.4), this task requires an integrated strategic evaluation process beyond the marketing practices, which is out of the current research's aims.

7.4.6. The Marketing Influence on Consumers and the International Exposure

(Items in Appendix.4, I: a to d and Appendix.1, PartI: 4 to 6)

As presented in Table 7.9, the participants were exposed to international cultures. As the international exposure was measured through (1) visited country(s) (2) mother's nationality (3) speaking language(s) (Dawar *et al.,* 1996), the levels of the exposure were determined via the average of the three items.

Table 7.16: The Levels of International Exposure

The items	The responses	Value
Visited country(s)	No one	1
	1 Country	2
	≥ 2 Countries	3
Speaking language(s)	No one	1
	1 Language	2
	≥ 2 Languages	3
Mother's nationality	Libyan	1
	Arab	2
	Non-Arab	3

The levels of international exposure based on mean values	Mean*
No Exposure	1.00
Low Exposure	$1.00 < M \leq 2.00$
High Exposure	$2.00 < M \leq 3.00$

* The mean of the three items' values above in each response (questionnaire)

Table 7.15 illustrates the values which were given to the responses, and the determined levels based on the means of the three items in each questionnaire. The above preparation of the international exposure levels was in aiming to investigate potential significant differences between the participants who have no exposure, low and high exposure in terms of their responses toward the foreign marketing programmes in Libya. As there is one Independent Variable (IV) in this instance (International Exposure) which is split into three categories (levels), a one way ANOVA is appropriate as it seeks to demonstrate significant differences between the categories of the IV on the

Dependant Variable (DV) (the consumers' responses to the 4P's) (Burns and Burns, 2008).

Table 7.17: Consumers' Responses to 4P's on the International Exposure Levels (ANOVA)

	ANOVA			
	Consumer Response toward the Element of Marketing Programme			
	Promotion	Product	Price	Distribution
International Exposure	F	F	F	F
Between Groups	2.984*	0.632[1]	0.762[2]	1.956[3]

* The mean difference is significant at .05 level (Sig = 0.051)

[1] Not Sig (0.532)   [2] Not Sig (0.467)   [3] Not Sig (0.142)

A one way ANOVA was employed to examine the differences in the means of DV (the four elements of marketing programme) associated with the effect of the international exposure levels. The main ANOVA results appear in Table 7.16. This reveals that the effect of the international exposure levels was only significant (*Sig = 0.051*) on the consumers' response to promotion (*F (2, 802) = 2.984*), whereas, the effect was not significant over the remaining three elements (*Sig> 0.05*).

These results could be an indication that the product, price and distribution of the foreign companies affected the consumers who are highly international exposed and the other who are not or low exposed similarly. Accordingly, the direct international exposure did not play a significant role in consumers' responses toward these elements of foreign marketing. In contrast, Libyan consumers' response toward foreign promotion activities differs significantly across their international exposure levels. The responses mean of Libyan consumers who are highly exposed to the foreign cultures were the highest one (*M = 2.86, SD = 0.73*). This might be ascribed to that fact that the consumers who are highly international exposed speak at least one foreign language, which enables them to understand/accept the standardised promotion messages more than those who are less international exposed.

The research sample showed that there are 204 (25%) consumers who had no international exposure. Also, there was no significant difference in their responses toward the three elements of marketing (see Table 7.16) with the other consumers, who

showed international exposure. Therefore, in order to provide more explanation of the results above, the responses of the non international exposed consumers on the items of culture openness were analysed in Table 7.17. This was in aiming to reveal their acceptance of the other culture aspects and tendency to international exposure indirectly (Sharma *et al.,* 1994; Lundstrom *et al.,* 1998).

Table 7.18: Openness to the Foreign Cultures of Non International Exposed Participants

Items of Culture Openness	Level of agreement on 5-point Likert scale (%)					Total
	SA	A	N	D	SD	
I like to keep up with international affairs	24 (49)	48.5 (99)	14.7 (30)	7.8 (16)	4.9 (10)	100 (204)
I am interested in foreign cultures	24 (49)	41.7 (85)	12.7 (26)	18.1 (37)	3.4 (7)	100 (204)
I enjoy foreign films and TV pro grams	20.6 (42)	35.3 (72)	8.3 (17)	24 (49)	11.8 (24)	100 (204)
I make special effort to meet foreigners	15.7 (32)	36.3 (74)	17.6 (36)	20.6 (42)	9.8 (20)	100 (204)

All values are percentages of the sample. Numbers in parentheses are frequencies.

Note: Table does not sum to 100 due to rounding effects

Table 7.17 illustrates that there is a marked increase in the percentages of consumers toward the strongly agree and agree response in each item. Also, the highest percentages of consumers were answered *Agree* in each item (48.5%, 41.7%, 35.3% and 36.3%). Moreover, the weighted mean value of these items was 3.72, which indicates a considerable positive response toward the culture openness. Consequently, the similarity of the foreign marketing influence on Libyan consumers in the three levels of international exposure can be ascribed to the considerable positive attitudes of consumers who have not international exposure toward the openness to foreign cultures.

Here, the result that the non international exposed Libyan consumers have positive attitudes toward the openness to the foreign cultures appears contradictory. However, there are a number of barriers for Libyan consumers to expose directly to foreign culture (outside the Arab World). For example, learning foreign languages and travel abroad outside the Arab World cost them much. Also, there are many difficulties to get visa of some countries for Libyans.

7.4.7. Consumers' Attitudes towards the Foreign Companies in Libyan Market

(Items in Appendix.4, II)

As the current research studies the marketing practices of the foreign companies that operate in Libyan market, it is needed to investigate the consumer attitudes toward the philosophy of such companies (Barksdale and Darden, 1972; Gaski and Etzel, 1986; Gaski, 2008). These attitudes were measured through 5 items to determine consumer reactions to business policies and practices.

The answers to the items in Table 7.18 demonstrate that respondents consider the foreign companies in Libya place consumer satisfaction before all other business interests. More than 45% (13.8% + 31.4%) of all respondents agreed that business operates on the philosophy that the consumer is always right. Approximately 41% (14.8% + 26.6%) of those responding agreed that "let the buyer beware" is the guiding philosophy of most manufacturers, and 35.3% were uncertain. However, the mean of the second item was less than the first one. 42.3% (11.2% + 31.1%) of respondents agreed with the idea that the foreign companies seldom shirk their responsibility to consumers, while 47% (15.3% + 31.7%) thought that most companies are more interested in making profits than in serving the consumer. The interesting result is that a majority of respondents (71.8%) agreed that additional government regulations are needed.

The level of uncertain response is relatively high for several of the items in Table 7.18. This can be justified by that those items required knowledge in terms of business policies and activities which are generally beyond the direct experience of many consumers. Therefore, the mean values were used beside the percentages to *avoid* the effect of uncertain response.

Table 7.19: Consumers' Attitudes toward Foreign Marketing Philosophy

Items in brief	Level of agreement on 5-point Likert scale (%)					Mean	Std. D
	SA	A	N	D	SD		
Companies operate on the philosophy that the consumer is always right.	13.8	31.4	32.5	16.9	5.3	3.31	1.073
"Let the buyer beware" is the guiding philosophy of most foreign companies*	14.8	26.6	35.3	19.4	4	2.71	1.062
Most foreign companies seldom shirk their responsibility to the consumer.	11.2	31.1	37	17.5	3.2	3.29	0.988
Companies are more interested in making profits than consumers*	15.3	31.7	28	20.5	4.6	2.67	1.101
The government have to impose restrictions on the marketing activities*	29.8	42	15.4	10.4	2.4	2.14	1.032

* Negatively worded with reverse scoring in mean calculation

Note: percentages do not sum to 100 due to rounding effects

It can be realised that the items that were negatively worded showed means less than 3.00, whereas the positively worded ones have mean values greater than 3.00. In general, participants indicated remarked positive attitudes toward the marketing philosophy of the foreign companies in Libya. This result calls the discussion about how Arabian consumers view the activities of global companies. In this context, Stoher (2009) concluded that Arabian consumers see themselves as a part of globalised world and living at the crossroads where products from the East and the West meet. Also, these consumers have become well-informed due to global media (i.e., satellite TV and internet) which contributes to their acceptance of the global commerce (Marinov, 2007).

7.4.8. The Behavioural Aspects of Libyan Consumers

(Items in Appendix.4, III: a to e)

The results presented in this section are related to the answering of the third research question (Q3); *to what extent do cultural and/or individual factors impact on Libyan consumer perspectives toward foreign marketing programmes*. In order to investigate how Libyan consumers are influenced by marketing programmes, the behavioural aspects which embody specific patterns of consumer behaviour were studied. They consist of reliance on producer information, consumer's preferences, response to advertising, risk taking and shopping behaviour (Dawar *et al.,* 1997).

7.4.8.1.Reliance on Producer Information

The two items based on MCQ and Likert 5-point format (see Appendix.4) were used to measure the consumers' reliance on the information that producer provides. Consumers were asked whether they often rely on messages in commercials, salesperson, media and personal friends when they purchase foreign home appliances. Also, consumers were asked whether the information received from manufacturer is helpful for the decision that they have to make (Meyvis and Janiszewski, 2002).

Table 7.20: Relied Information Source across Marketing Influence

	When purchasing home appliances, I often rely on				
	Commercials	Salesperson	Media	Personal Friends	**Total**
n	60	89	41	615	**805**
%	7.5%	11.1%	5.1%	76.4%	**100.0%**

The helpfulness of information received from manufacturers

	Level of agreement on 5-point Likert scale (%)						
Items in brief	**SA**	**A**	**N**	**D**	**SD**	**Mean**	**Std. D**
The information received from manufacturers is helpful for the purchase decision	11.4	43.5	17.5	23.4	4.2	3.35	1.085

Note: some percentages do not sum to 100 due to rounding effects

Top sub-table in Table 7.19 exhibits the percentages of participants for each relied information source. It can be realised that the majority of consumers (76.4%) rely on their personal friends as an information source for home appliances purchasing, whereas 11.1% of participants rely on information that salesmen provide. Media (5.1%) and commercials (7.5%) have quite low percentages. These results can be attributed to the fact that Libyan consumers tend to rely on information that provide through direct and interactive communication (personal friends and salesmen). This result supports the effect of personal information source in the pre-purchase information search stage of buying process (Mattila and Wirtz, 2002).

The analysis of the consumers' responses toward the helpfulness of information received from manufacturers produced an interesting result. The sub-table appears next in Table 7.19 shows that in spite of the promotion information have low percentages (commercials 7.5% and media 5.1%), approximately 55% of consumers consider that the information received from manufacturers is helpful in their purchase decision

(*M=3.35, Std. D = 1.085*). This result could be an indication that the helpful information does not guarantee the consumer's reliance. Marketers must understand that consumers are selectively looking for information that suggests the product will deliver desired benefits for them (Meyvis and Janiszewski, 2002; Kotler, 2003), and they will considered such information as helpful. Here, marketers have to invest more effort, efficiently, in personal information source (e.g., WOM) through forming strong ties with their customers, as customers in strong ties might provide positive WOM about the brand (Chung and Tsai, 2009).

As the current research aims to determine how consumers are influenced by marketing according to their individual characteristics, the relationships between each consumer behavioural aspect and his/her characteristics was investigated. This investigation contributes to answer the research question about the impact's extent of cultural and/or individual factors on Libyan consumer perspectives toward foreign marketing programmes. The individual characteristics which the participants were asked about are; age, gender, marital status, level of education, occupation, international exposure and disposable income (Dawar *et al.,* 1996, 1997; Armstrong and Kotler, 2008; Gaski, 2008). In order to currying out the cross-tabulation Chi-Square test, the participants' answers about the individual characteristics (IV) questions (see Appendix.1) were classified into two or more sub-categories. Similarly, the participants were also categorised based on their relied information source (DV).

This technique was conducted in the investigation of the relationships between the individual characteristics and the other behavioural aspects (the next four sections) with using Chi-Square test. Some categories of the individual characteristics and/or behavioural aspects were *aggregated* in one segment through coding together. This was because a category with very low frequency will produce cells that have expected count less than 5 in the cross-tabulation, which affect the sample in terms of approximating the theoretical Chi-Square distribution (Burns and Burns, 2008).

The research examined subjects' use of various product information sources as a function of individual characteristics. Table 7.20 shows the Chi-Square test which was conducted to determine whether there was an association between consumers' individual characteristics and the relied information source in their home appliances purchase.

186

Non-significant relationships were present for 4 individual characteristics, while the other 3 characteristics show a significant relationship with one or two relied information sources. The level of education associated with reliance on commercials (*Chi-Square = 6.126, df = 1, p = .013*). The type of consumer's occupation or job has a significant relationship with reliance on commercials (*Chi-Square = 9.620, df = 3, p = .022*), and on personal friends (*Chi-Square = 9.044, df = 3, p = .029*). Table 7.20 also reveals a significant association between the level of international exposure and reliance on salesperson (*Chi-Square = 6.007, df = 2, p = .050*), and personal friends (*Chi-Square = 9.024, df = 2, p = .011*).

Table 7.21: Use of Information Sources, by Individual Characteristics

Chi-Square Tests				
	Chi-Square Value			
Individual characteristics	**Commercials**	**Salesperson**	**Media**	**Friends**
Age	7.512	1.089	0.795	1.745
Gender	0.402	0.997	0.010	0.157
Marital Status	1.479	1.714	0.222	2.123
Level of Education	6.126*	0.760	1.590	2.316
Occupation (Work)	9.620*	6.664	3.061	9.044*
International Exposure	2.634	6.007*	2.490	9.024*
Disposable Income	4.358	3.338	1.467	3.689

* The Chi-Square value is significant at .05 level

These results could be an indication that there is a significant relationship between the factors relating to social class (education and occupation; Peter and Olson, 2008) and consumers reliance on commercials as an information source in terms of home appliances purchase. Also, the level of international exposure was significantly related to the interactive information sources (salesperson and friends). Further, the interesting results were that there is no any significant relationship between Libyan consumers' reliance on media as information source and their characteristics. This might be an indication that media information affects all the segments of consumer characteristics similarly.

7.4.8.2. Shopping Behaviour of Libyan Consumers

The study of shopping behaviour in the context of consumer behaviour research is concerned with how consumer makes his/her choices in the store; it is not just number of trips to the shop, customer purpose and amount spent (Ackermana and Tellisb, 2001; Vida and Dmtrovic, 2001; Puccinelli *et al.,* 2009). Therefore, four items (see Appendix.4) were used to identify two types of shopping behaviour based on their loyalty; loyal customers to their seller and non-loyal customers (Weisbuch *et al.*, 2000; Mcim, 2001). Additionally, participants were asked about the importance – in their purchase decision – of choosing the store comparing with brand, which is embodies a considerable aspect of shopping behaviour.

Table 7.21 exhibits the consumers' responses toward these items descriptively. The two categories of customers (Loyal and Non-loyal) were determined based on the level of agreement. Accordingly, the majority of consumers choose the store based on gathered during previous purchasing (80.6%), also 86.5% of them prefer to buy from the store that they know before. In contrast, more than 78% of consumers reported that they prefer to go shop around to find different offers from different sellers.

Although the latter result seems contradictory at first sight, it can be justified by that the third item asked customers in the information search stage (*I go around to find different offers*), while the others were about the decision (*I choose a store, I prefer to buy and choosing brand*). This is because consumers – in some cases – go shop around to eliminate or reject some choices from their decision alternatives, such as what consumers often do in the internet shopping (Drucker, 2001). In the other words, when a consumer seeks to find different offers, it does not mean that he/she are not loyal to a certain store. However, the weighted mean values of the three items were used to categorise customers into two groups according to their shopping behaviour (Loyal and Non-loyal) (Weisbuch *et al.,* 2000).

Table 7.22: Loyal and Non-Loyal Customers

Items in brief	Types of shopper based on the level of agreement					
	Loyal		N	Non-loyal		Total
	SA	A		D	SD	
I choose a store according to previous purchasing.	22.1 (178)	58.5 (471)	8.1 (65)	9.6 (77)	1.7 (14)	100 (805)
I prefer to buy from the store that I know before.	34 (274)	52.5 (423)	6.5 (52)	6 (48)	1 (8)	100 (805)
I prefer to go shop around to find different offers*	26 (209)	52.5 (423)	9.4 (76)	9.6 (77)	2.5 (20)	100 (805)
Choosing brand is more important than choosing store	11.7 (94)	30.3 (244)	14.3 (115)	35.9 (289)	7.8 (63)	100 (805)

* Negatively worded with reverse scoring in mean calculation

All values are percentages of the sample. Numbers in parentheses are frequencies.

Note: Table does not sum to 100 due to rounding effects

In the consumers' responses toward the last items, 42% of consumers reported that choosing brand is more important than choosing store in their home appliance purchases, whereas, 43.7% considered choosing store is more important. Here, the level of agreement and disagreement were *slightly* balanced. Nevertheless, participants tended to consider choosing store is more important than the brand in their home appliances purchase. However, this might call for the debate about whether the retailer could be as brand, and retailer image (Mcim, 2001).

In order to whether there was an association between consumers' individual characteristics and the customers types based on their shopping behaviour (Loyal and Non-loyal), the Chi-Square test which was conducted. It revealed that there is no significant relationship between the shopping behaviours and any one of individual characteristics

7.4.8.3. Factors Influencing the Preferences of Libyan Consumers

Consumers' preferences were, firstly, measured through asking participants to select the three most important choices when they buy home appliances, from their point of view (Pose, *et al.,* 2002; Okechuku and Onyemah, 1999). These choices reflects the considerations in terms of the safety that the product provides, salesman's advice, price, brand name, latest model of product, country of origin (Dwar and Parker, 1995; Dawar *et al.,* 1997).

Table 7.23: The Criteria for Choosing Foreign Home Appliances

The 3-choice groups that have the highest percentages

The most three important	Frequency	Percent
Product safety in using/ Brand name/ The latest product	96	11.9
Product safety in using/ The best price/ The latest product	87	10.8
Product safety in using/ The best price/ Country of origin	78	9.7
Other 33 different choices	544	67.6
Total	**805**	**100**

The consideration that consumers ranked it as the most important ones

The considerations	Frequency	Percent
The safety in using that product provides	535	66.5
I search for the best price for me	156	19.4
I search for a certain brand name	55	6.8
I depend on the salesman's advice	33	4.1
I search for the latest product	15	1.9
I search for a certain country of origin	11	1.4
Total	**805**	**100**

The top sub-table in Table 7.22 shows the 3-choice groups that have the highest three percentages according to consumers' answers. The product safety choice was ranked the most important one in the three groups. Moreover, the sub-table appears next illustrates that 66.5% of participants ranked the choice of "*the safety in using that product provides*" as the most important objects that they consider in their home appliances purchase. This result can be attributed to the nature of selected products in this research (televisions, refrigerator and air-conditioner), as consumers go through a risk-reduction process in reaching a purchase decision. Also, this supports the emergence of the safety-conscious consumer segment across the world (Biu Tse, 1999; XL and Heiden Association, 2003). The second important consideration was the choice of "*I search for the best price for me*" with 19.4%. This importance of price implies to the slightly low level of consumers' purchase power, as Table 7.10 reveals that more than 87% of participants estimated the cost of home appliances is more than 50% of their monthly incomes. This result supports the finding of Vassilikopoulou, Siomkos and Mylonakis' (2006) study on Muslim consumers in Greece, as they found that seeking for the best price is a key criterion in selecting and buying home appliances. However, new consumers, generally speaking, tend to be seeker for low prices (David and Bridger, 2001).

Further, as the home appliances are slightly high priced (see Table 7.10), and have a high level of quality uncertainty, consumers tend to use signals for this (Dawar and Parker, 1994). Four items on 5-point Likert scale were used to investigate consumers' use of brand, price, the physical appearance and the retailer reputation as signals of home appliances quality. Table 7.23 reports the responses to the four items through means. Brand was the highest score (*M = 3.91*), followed by price (*M = 3.21*) and the retailer reputation (*M = 3.20*). The three score were, generally, significant (*M > 3.00*) which indicate that brand, price and the retailer reputation are important as signals of home appliances' quality. In contrast, participants showed that the physical appearance is not important in quality evaluation (*M = 2.61*).

Table 7.24: Means and Standard Deviation of Signal Use

Items in brief	Mean	Std. Deviation
I use Brand name as a signal of quality for purchasing home appliances	3.91	0.960
I use Price as a signal of quality for purchasing home appliances	3.21	1.218
I use the Physical Appearance as a signal of quality	2.61	1.149
I use the Retailer Reputation as a signal of quality for home appliances	3.20	1.188

However, this supports the last results (see Table 7.22), as salesman's advice, price and brand as considerations in home appliances purchase were most important than the latest model of products. Moreover, it might be interesting that the general rank of these signals from Libyan consumers' point of view is similar with the consumers in USA, as Dawar and Parker (1994) demonstrated that the mean brand signals were ranked highest, whereas the retailer reputation ones were lowest, and the mean price signals were ranked between them. This, however, might support the idea that consumers across the world, even in the Arab World, have become more globalised in terms of their buying behaviour.

Because of this research investigates the behavioural aspects of consumers from the same cultural context (Libya), it requires testing for individual differences in signal use. 28 ANOVA tests were conducted to investigate the effect of characteristics on signals use. Most tests (82%) revealed no meaningful differences in signal use across individual characteristics ($p > .05$). However, ANOVA showed significant effects ($p < .05$) of gender *($F (1,804) = 5.697$)*, education level *($F (4, 801) = 4.355$)* and occupation *($F (3, 802) = 2.852$)* on price use. In physical appearance use, only education level has effect

(F $(4,\ 801)$ = 2.505). Also, only the age (F $(3,\ 802)$ = 2.505) has effect on retailer reputation use.

In spite of the statistically significance of some differences, these results could be an indication that the individual characteristics, generally, did not play a significant role in Libyan consumer's use of these signals. Consequently, with respect to all participants have the same cultural background (Libyan/Arabic), it can be said that the use of brand name, price, physical appearance and retailer reputation as signals of home appliances quality are likely to be driven by cultural factor more than the individual one. However, the nature of product category selected in this research (home appliances) might also affect the usage of quality signals, as this product category is not quite personal products like clothes and jewellery.

Libyan consumers' preferences for the foreign home appliances were, secondly, investigated through three factors. Participants were asked about the country image, the ethno-national identity and the openness to foreign culture (Sharma *et al.,* 1994; Lundstrom *et al.,* 1998). In country image, consumers were asked from which country they believe the white goods have a high degree of technological and prestigious, and from which country they prefer to buy.

Generally, Table 7.24 exhibits that a majority of respondents in all three items reported three countries, as the other countries have a quite low percentages. The results in the table below reveal that Japan has a good image in Libyan consumers' preferences. This is because 37% of participants reported that home appliances made in Japan show a high degree of technological innovation, and 38.3% of them prefer to buy *Made in Japan's* home appliances. This result is supported by the previous analysis in Table 7.10, as the most five preferred brands in home appliances purchases included three Japanese brands.

Table 7.25: The Country Image of Foreign Home Appliances

Appliances made in the following countries show a high technological degree	%
Japan	37.5
USA	25.7
Italy	25.1
Other 13 different countries	*11.7*
Appliances made in the following countries are prestigious	
USA	45.7
Italy	29.7
Japan	12.2
Other 15 different countries	*12.4*
I prefer to buy the appliances made in these countries	
Japan	38.3
Italy	28.8
USA	22.6
Other 14 different countries	*10.3*

Regarding to the country that Libyan consumers consider it produces prestigious home appliances, 45% of consumers believe that white goods made in USA are prestigious. However, Libyan consumers have long memories with *Made in USA*'s products and they consider them are assumed to be high-quality (US & FCS, 2006). Accordingly, they consider *Made in USA* as prestigious, because prestige is often derived partly from the technical superiority and high quality (Vigneron and Johnson, 1999).

The interesting result produced, here, is that the majority (approximately 80%) of consumers who reported that *Made in USA's products are high technological, prestigious and we prefer to buy them* were 18-37 years old. This age segment does not have a sufficient experience with USA products, as for political reasons, USA products stopped entering Libya in the early 1980's and have been just allowed to re-enter Libyan market in 2006 (Metz 1987; The World Fact Book 2007). Although the country image has an influencing role on product evaluation when consumers become familiar with the country's products (Lundstrom *et al.,* 1998), this finding suggests that the country image could be built in consumer's mind indirectly without such familiarity. Here, it can be said that the information through transmitting mechanisms (e.g., mass media) might be more influencing than the information about a country which can be obtained via direct contact with the country (Balabanis *et al.,* 2002).

In order to gain in sight into the differences between the consumers segments based on their individual characteristics, a comparison between the mean values of the ethno-national identity and the openness to foreign culture (Sharma *et al.,* 1994; Lundstrom *et al.,* 1998), and characteristics was conducted. For the constructs that had multiple indicators, a grand mean was taken. A one way ANOVA was employed to examine these differences and the results are presented in Table 7.25.

ANOVA table shows that the effect of individual characteristics on consumers' ethno-national identity was not significant overall, as $p > 0.05$ of all F values. In the openness to foreign culture, there were significant effects of gender, level of education and international exposure where their F values were at $p < 0.05$.

Table 7.26: Consumers' Preferences on the Individual Characteristics (ANOVA)

	ANOVA			
	Ethno-national identity		**Openness to foreign culture**	
Individual characteristics	**F**	**Sig**	**F**	**Sig**
Age	1.963	0.118	0.720	0.540
Gender	0.870	0.351	9.734*	0.002
Marital Status	1.916	0.148	0.861	0.423
Level of Education	2.050	0.086	5.052*	0.001
Occupation (Work)	1.482	0.218	0.731	0.534
International Exposure	0.204	0.816	11.189*	0.000
Disposable Income	0.833	0.504	0.522	0.720

* The mean difference is significant at .05 level

In gender differences analysis, the male respondents were more open to foreign culture, because the mean of their responses ($M = 3.80$) was greater than the females' one ($M = 3.62$). This can be ascribed to the nature of Libyan society which tends to be a masculine society (Metz, 1987). Furthermore, as ANOVA reveals the effect of level of education on openness to foreign culture, *post hoc* test was conducted. It indicates that the means for university and postgraduate levels did not differ significantly, but both differed significantly from the mean of primary and high school levels. This suggests that possession of a high degree is an important factor in the openness to foreign culture, but it does not matter which high degree consumer possesses.

In the analysis of international exposure, post hoc test revealed that the means for consumers who have low (*M = 3.77*) and high (*M = 3.97*) international exposure did not differ significantly, while both differed significantly from the mean of those who have not international exposure (*M = 3.50*). This result is quite reasonable, as the participants who are internationally exposed, no matter which exposure level, supposed to be more open to foreign cultures (Dawar *et al.,* 1997).

7.4.8.4. Perceived Risk and Risk Taking Behaviour

The perceived risk embodies the uncertainty that consumers face in their purchase decision about meeting their needs and desires, which is a significant tool in consumer behaviour research (Stafford *et al.,* 2005; Veloutsou and Bian, 2008). The risk was measured through the six items (see Appendix.4). The consumers were asked about the financial, performance, physical and social risks respectively (Soares, 2004).

Table 7.27: Mean Scores for Perceived Risk Measures

The type of risk	Items in brief	Mean	Std. Deviation
Financial	The purchase will lead to a financial loss*	3.65	1.002
	The purchase would not meet my expectations based on the amount of money required to pay for it*	3.56	1.068
Performance	An unfamiliar product would function poorly*	3.44	1.064
	Product would not meet your needs and desires*	3.42	1.075
Physical	Product would not be safe or would be harmful*	3.40	1.081
Social	Purchase will make others think less highly of you	2.96	1.865
The weighted mean of the overall perceived risk*		**3.40**	

* Perceived Risk (Mean > 3.00)

Table 7.26 shows a remarked perceived risk in general, where the weighted mean score were greater than 3.00 out of 5.00. This is could be caused to the nature of selected products, as the perceived risk is a function in the technology and innovation level of products (Hirunyawipada and Zolfagharian, 2005). The highest mean score were the financial risk items (*M = 3.65, M = 3.56*). However, this can be justified by that the prices of the selected home appliance in this research were slightly high in Libyan market. Also, Libyan consumers revealed – in the previous analysis – a notable carefulness toward price, as 71% of participants reported that the home appliances cost them approximately a half of their monthly incomes (see Table 7.10). Furthermore, the most price-related items produce low values of means (see Table 7.13) and consumer ranked "*search for the best price*" as one of the most important considerations in their

home appliances purchases (Table 7.22). However, in the international marketing, the pricing issues have attracted more intention in recent years from both consumers and companies (Kotler and Caslione, 2009).

Table 7.26 reveal that Libyan consumers have a remarkable perception toward the physical risk ($M = 3.40$). Also, as shown in Table 7.22, Libyan consumers considered choosing a safe product is the most important criterion in their home appliances purchases. However, Arabian consumers appear different in terms of the perceived physical risk across the Arab World countries. For examples, Souiden (2000) found that consumers in Morocco, Tunisia, Oman and the UAE pay a relatively strong interest to the products safety (vehicles) more than consumers in Saudi Arabia and Kuwait.

The social risk was at the lowest level of perception ($M = 2.96$). This can be, also, attributed to the nature of the selected products, as the home appliances are less personally involved and, therefore, they could not affect negatively perception of individuals toward each other. Further, some studies in the Arabic World indicated that consumers tend to emulate with Western lifestyle in their leisure products purchases (Assad, 2007).

Because of this research aims to gain in sight into the differences between the consumers segments based on their characteristics (Sjoberg and Engelberg, 2005; Veloutsou and Bian, 2008), the crucial question may therefore be which extent the individual characteristics could explain the variance of perceived risk. Therefore, a comparison between the mean values of the perceived risk and the individual characteristics was conducted (Soares, 2004).

A one way ANOVA was employed to examine these differences and the results are presented in Table 7.27. It is notable to mention that this research does not seek to *predict* the scores of perceived risk based on consumers' characteristics. Rather, it aims to identify if their significant differences in consumers' perceived risk which can be explained by their characteristics. Hence, the multiple-liner regression test was not applied.

Table 7.28: Perceived Risk on the Individual Characteristics (ANOVA)

	ANOVA							
	Financial. R		**Performance. R**		**Physical. R**		**Social. R**	
Individual characteristics	**F**	**Sig**	**F**	**Sig**	**F**	**Sig**	**F**	**Sig**
Age	0.880	0.451	1.225	0.299	0.692	0.557	1.284	0.279
Gender	0.004	0.951	1.536	0.216	1.010	0.315	0.970	0.325
Marital Status	0.665	0.515	1.127	0.325	3.144*	0.044	0.772	0.463
Level of Education	0.941	0.439	0.475	0.754	0.934	0.444	0.488	0.745
Occupation (Work)	0.884	0.449	0.262	0.853	0.791	0577	1.395	0.214
International Exposure	3.462*	0.032	2.432	0.088	1.025	0.359	0.380	0.684
Disposable Income	2.543*	0.038	1.602	0.172	2.721*	0.029	3.032*	0.017

The mean difference is significant at .05 level

ANOVA table shows that the effect of individual characteristics on perceived Performance. R was not significant overall, as $p > 0.05$ of all F values. In perceived Physical. R, there was a significant effect of marital status ($F=3.144, P < 0.05$). Married participants showed the highest perceived Physical. R ($M = 3.53$). Post hoc test indicates that the mean of married consumers differ significantly from the mean of singles. This is can be explained by the fact that, in the Libyan society, the marriage is more a family than a personal affair and a civil contract, where husband and wife themselves responsible to the other family members (Metz, 1987). Therefore, they are more concerned about product safety or harmful (Physical. R).

The international exposure showed a significant effect on Financial. R ($F=3.462, P < 0.05$). The consumers who have high international exposure report the highest perception for Financial. R ($M = 3.92$). Post hoc test revealed that the mean for high international exposure differ significantly from the means of no and low international exposure, but there was not significant difference between the means of the two latter ones. This result could be an indication that the highly international exposed participants are more knowledgeable about the practices of foreign companies in terms of reducing the material quality of the exported products to the Third World in aiming to satisfy its conditions (Ghemawat and Thomas, 2008). Therefore, they are more mindful toward the amount of money that they think the home appliances in Libyan market deserve it.

The disposable income characteristic has a significant effect on the three types of perceived risk. In the financial risk, the participants who has the lowest disposable income (home appliances cost is 75% up to over 100% of their monthly income) showed the lowest perception of the financial risk ($M = 3.67$). However, this can be justified by that the lowest disposable income drives consumer to buy a cheapest product in the store, regardless of his/her expectation about whether this product will meet the amount of money or not. Regarding to the physical risk, post hoc test revealed that the only significant difference was between the means of the two highest segments of disposable incomes (home appliances cost is 1%-25% and 26%-50% of their monthly income), whereas there was not significant difference between the means of the other segments.

ANOVA also shows a significant effect of disposable income on the perceived social risk. However, as the Arabic culture is collective, people often appreciate individuals who stand out, and do not do anything to cause someone else public embarrassment (Hofstede, 2001; Assad, 2007). The highest mean value ($M = 3.61$), which reflects the level of perception, was produced from the middle segment's responses (home appliances cost is 51%-75% of their monthly income). Here, people in this level of income are more concerned about social embarrassment "*purchase will make others think less highly of you*". This is because they try to keep themselves in a social level which equal to the highest income levels and, in the same time, above the lowest ones.

7.4.8.5. Consumers' Response toward Advertising

Advertising evaluation was assessed by MCQ question with an open choice. The provided ones were; unpleasant/pleasant and unexciting/exciting (Edell and Burke, 1987; Holbrook and Batra, 1987; Teng *et al.,* 2007). Table 7.28 shows that 47.5 % of consumers considered the foreign advertisements as pleasant and 7.5 % considered it as exciting. The participants who reported that they could not provide a consideration about, and the advertising is not persuasive were quite low percentage (7.6%). Generally, it can be said that Libyan consumers have a positive disposition to watch the foreign advertising. Therefore, well-developed advertising can influence their buying behaviour successfully (Levitt, 1993).

Table 7.29: Libyan Consumers' Considerations toward Foreign Advertisements

How do Libyan consumers consider advertisements	%
Pleasant	47.5
Unexciting	25.8
Unpleasant	11.6
Exciting	7.5
No Consideration*	5.2
Not Persuasive*	2.4
Total	**100**

* Aggregated from the participants' responses to the open option

In the investigation of the advertising effect on the consumer behavioural response, four items derived from AIDA model (see section.3.3.3.5) were used to reveal the consumer's response toward advertising (Vakratsas and Ambler, 1999; Strong, 1925, cited in Kotler, 2003:568). This model is often used with the marketing mix to explain the consumer behavioural process toward the promotion stimuli (Kotler, 2003; Aryal, 2005).

Similarly to the determination of the marketing influence (see Table 7.12), the advertising effect was measured through the means. Table 7.29 illustrates that the foreign advertising has a moderate role in motivating buying behaviour (*M = 3.16*). However, the strength of advertising influence was varied to the different response stages.

Table 7.30: Means and Standard Deviation of the Advertising Effect

AIDA	Items in brief	Mean	Std. Deviation
Awareness	Most advertising attracts my attention	3.00	1.213
Interest	When I see products, ad images appear in my mind *	3.40	1.153
Desire	I do not plan to buy until I read or watch ads about *	3.26	1.224
Action	I have been exposed to ads about my purchased products	2.98	1.167
The weighted mean of AIDA's components*		**3.16**	

* Moderate Advertising Effect (4.00 ≥ Mean > 3.00)

The analysis demonstrated that the lowest advertising effect was in driving consumer to take the purchase decision (*M = 2.98*). This indicates that the foreign advertising could not motivate Libyan consumer sufficiently to take the purchase action. This result can be attributed to various circumstances surrounding consumers, such as the high prices

or the lack in their purchase power which might be considered as barriers for purchase action. Also, foreign advertising attraction has not significant influence on Libyan consumers (*M = 3.00*). This result can be explained by the past results; Table 7.12 showed remarkable negative consumers' sentiment toward foreign advertising and Table 7.28 revealed that 25.8% of participants consider foreign advertising unexciting. Clearly, designing and launching an effective adverting in the Arab World is not an easy task for international companies. Some research in this region (e.g., Michell and Al-Mossawi, 1999; Souiden, 2000; Fam *et al.,* 2002) has indicated that the international marketers should well-understand cultural sensitivities and Islamic religion's effects in relation to effective advertising in the Arab World countries.

In contrast, the highest effect was in the stage of attracting consumer interest (*M = 3.40*). The latter result can be explained by that the consumer interest was centred on the advertising content, which is the home appliances, as the consumers' response toward them was the highest one (see product-related items in Table 7.12).

The consumer's feelings and emotions have an interactive effect with his/her cognition for advertising message (Vakratsas and Ambler, 1999). Here, as the first impression about the advertisement often induces these emotions, the designing of advertisement copy may affect consumers' responses (Teng *et al.,* 2007). Therefore, it is necessary to investigate the relationship between consumers' consideration about the advertising and its effect on them. ANOVA analysis was carried out to demonstrate differences between consumers' considerations on the consumers' responses toward advertising (Burns and Burns, 2008). It is important to mention, here, that the correlation test is not appropriate, as it requires determining *certain* advertisements, whereas this research investigates, generally, the consumers' responses toward the foreign adverting activity.

Table 7.30 exhibits the means differences analysis of consumers' responses using ANOVA test. From the top sub-table, it can be recognised that there is considerable differences between the means of consumers' responses in the six considerations. It is not surprising that the consumers who reported that the advertisements are existing showed the highest advertising effect (*M = 3.4833, Std. D = 0.76312*). In the main ANOVA sub-table appears next, the effect of the advertising consideration was significant overall (*F (5, 799) = 15.134, p<.001*). These results could be an indication that the advertising context can generate, and induce, a consumer's overall responses, as

how consumers view the advertisements may not only be triggered very quickly, but may also affect subsequent processing (Teng *et al.,* 2007).

Table 7.31: Consumers' Considerations on the Advertising Effect (ANOVA)

Descriptive

The consumers' responses toward advertising on AIDA

	N	Mean	Std. D	Std. E	95% Confidence Interval for Mean Lower B	Upper B	Min	Max
Pleasant	383	3.3610	.75744	.03870	3.2849	3.4371	1.5	5.0
Unpleasant	93	3.0296	.91177	.09455	2.8418	3.2173	1.0	5.0
Exciting	60	3.4833	.76312	.09852	3.2862	3.6805	1.5	5.0
Unexciting	208	2.8498	.84804	.05880	2.7338	2.9657	1.0	5.0
No Consideration	42	2.9643	.96836	.14942	2.6625	3.2660	1.0	5.0
Not Persuasive	19	2.6184	.94784	.21745	2.1616	3.0753	1.0	4.8
Total	**805**	**3.1615**	**.85228**	**.03004**	**3.1025**	**3.2205**	**1.0**	**5.0**

ANOVA

The consumers' responses toward advertising on AIDA

	Sum of Squares	df	Means Square	F	Sig*
Between Groups	50.523	5	10.105	15.134	.000
Within Groups	533.483	799	.668		
Total	584.006	804			

* The mean difference is significant at .05 level

Further, the *post hoc* test was conducted to identify where significant differences lie among the six considerations. The analysis showed that the means for pleasant and exciting did not differ significantly, bout both differed significantly from the mean of the rest (the other 5 considerations). Moreover, post hoc indicates that the means for no consideration and not persuasive both did not differ significantly from the mean of unpleasant and unexciting. This suggests that when a consumer views advertising as exciting or pleasant, it embodies an important factor in the adverting effectiveness on consumer behaviour.

As this research aims to investigate the buying behaviour of Libyan consumers and how are they influenced by their individual characteristics, Chi-Square was carried out to investigate the relationships between the advertising effect and these characteristics. The cross-tabulation Chi-Square values are presented in Table 7.31.

Table 7.32: The Relationships between the Advertising Effect and the Individual Characteristics

	Chi-Square Tests			
Individual characteristics	Chi-Square Value	df	Sig	% variation*
Age	19.353*	6	0.004	0.000
Gender	1.437	2	0.487	0.237
Marital Status	6.629	4	0.157	0.025
Level of Education	18.521*	8	0.018	0.000
Occupation (Work)	24.102*	12	0.020	0.000
International Exposure	14.647*	4	0.005	0.000
Disposable Income	15.871*	8	0.044	0.002

* The effect of (Sig) squared which embodies the explained variance by individual characteristic

Significant relationships were presented for 5 individual characteristics. Only the gender (*Chi-Square = 1.437, df = 2, p = .487*) and marital status (*Chi-Square = 6.629, df = 4, p = .157*) did not show significant ones. Consequently, there are associations between the 5 individual characteristics of Libyan consumers (marked in Table 7.31) and the advertising effect on them, whereas there is not between the gender and marital status. However, the home appliances advertising often use appeals in home or family atmosphere, as the home appliances purchase are supposed to be made with some other individual in mind (Kotler, 2003). This can explain the latter result, because, generally, there is no gender or marital status focus in the home appliances advertising in Libyan market.

The significant relationships above suggests that the lower education, and the younger age segment of participants showed the highest advertising effect (*M = 3.63*, *M = 3.30*). Advertising literature has referred that the age and education levels can be considered as determinants of the advertising effect (Smith, 1996; Orth *et al.,* 2007), as there is a relationship between educational attainment and the consumer's ability to understand the advertising message (Melewar *et al.,* 2009).

Further, the higher international exposure tend to produce a high advertising effect (*M = 3.24*). The familiarity of consumers who has a high international exposure with the foreign advertising could explain the latter result. Also, as the occupation could imply to the lifestyle (Armstron and Kotler, 2008), it can be said that the lifestyle play an important role in advertising effect. In the relationship between the disposable income and advertising effect, the middle segment (home appliances cost is 51%-75% of their

monthly income) showed the highest advertising effect. However, managers interviewed mentioned that they try to focus on this segment as they think that it embodies the majority of Libyan population.

7.5. Model Development: Behavioural Aspects and Buying Behaviour

The results presented in this section are related to the answering of the last research question (Q4); *what are the key cultural and/or individual factors that should be taken as significant variables in understanding the impact of marketing programmes for Libyan consumers.* As mentioned in chapter 1 (see section 1.3), this research aims to build a model for buying behaviour of Libyan consumers toward the foreign marketing programme of home appliances in Libyan market. This buying behaviour is measured through the consumer's response to the foreign marketing mix. The conceptual framework (see Figure 5.8, Chapter 5) depicts the research hypotheses – via research questions – about the relationships between variables.

The previous sections, in this chapter, presented the analysis and results of the relationships between (1) the degree of standardisation and consumer buying behaviour toward the foreign marketing programme (using Cross-tabulation test) (2) the marketing influence on consumers and the international exposure (ANOVA) (3) the individual characteristics and the behavioural aspects (Chi-square). However, to obtain a full investigation of the research framework, the relationship between buying behaviour toward the marketing programme (4P's) and behavioural aspects should be identified. This relationship needs to be examined in a prediction way to confirm theoretical predictions, testing whether a specified set of constructs has influence on the other. Confirmatory Factor Analysis (CFA) provides such technique. CFA, which plays an important role in SEM, can confirm that the factor structure or model is robust (Burns and Burns, 2008).

SEM has received a growing interest in the recent marketing literature (e.g., Alashban *et al.,* 2002), because it allows researchers – especially in behavioural theories – to test the derived models and behavioural theories with market data (e.g., Jöreskog and Sörbom, 1982; Laroche *et al.,* 1996; Bagozzi, 1994; Mourali, 2001; Jarvis *et al.,* 2003; Chintagunta *et al.,* 2006; D'Esopo and Almquist, 2007; Nguyen *et al.,* 2008). Nevertheless, in the behavioural research, researchers are not able to observe causation

(a force from cause to effect) like experimental research. Rather, they just observe the fact that two factors (in this research; behavioural aspects and consumer's response) co-vary and time sequence. In this context, co-vary is an indication of a possible existence of a causal relationship, in one direction or the other and the time sequence is the occurrence of the first factor generally followed by the occurrence of the second one. Accordingly, such observation can be an indication for the first variable being a cause of the second, but not the other way round (Blunch, 2008; Garson, 2009).

Before going further in the SEM analysis, it is necessary to refer to the measurement model specification which was discussed in chapter 5 (see section 5.6.3). As mentioned earlier, the measurement model of this current research's constructs is Reflective First-order, Formative Second-order (Type II in Jarvis *et al.,* 2003: 205), because they are multidimensional composite constructs of non-contingent influences (see Figure 5.9).

The first construct is the consumer's response toward marketing programme (4P's). It consists of four different types of non-contingent influence; Product, Price, Promotion and Distribution (Gaski and Etzel 1986, 2005; Gaski 2008) which is measured by reflective indicators (the items in questionnaire). The second construct is the consumer behavioural aspects. In the context of the international marketing research, this construct consists of six different patterns (Formative Second-order); ethno-national identity, openness to foreign culture, signals of product quality, shopping behaviour, advertising effect and perceived risk (Dawar and Parker, 1994; Dawar *et al.,* 1996a, 1996b, 1997; Lundstrom *et al.,* 1998; Okechuku and Onyemah, 1999; Weisbuch *et al*., 2000; Soares, 2004), which are measured by reflective indicators (Reflective First-order).

In coming sections of this chapter, SEM/CFA is conducted in order to investigate the relationships between each four different influence of the marketing programme (Product, Price, Promotion and Distribution) and the six different patterns of behavioural aspects (ethno-national identity, openness to foreign culture, signals of product quality, shopping behaviour, advertising effect and perceived risk) individually. The investigation of these relationships, which are in one dimension of the construct (Formative Second-order), fall into six sub-models. Figure 7.12 shows an example of these six models between the Perceived Risk and the influences of the four Ps. Further, to obtain such sub-model, it requires running the calculation estimating process four

times (for each P). Accordingly, the whole model of the behavioural aspects (6 aspects) and the response to the marketing programme (response to the 4P's) requires 24 calculation estimating process. In this section, *only* the results and graphs of the significant sub-models are addressed. The latent variables shown as ellipses, the indicators as rectangles and the circles as the factors other than latent variables affect the result of measurement; which are estimated errors. The double-headed arrow between the latent variables depicts the possible causal effect (covariance). In this context, covariance indicates that the possibility of a correlation between the latent variables as consequences (Blunch, 2008). The arrows connecting a latent variable with its indicators show the causal links. Here, because the variation in the consumer's response on the scale would be mirrored in variations in its indicators, the arrows points from the latent variables towards its indicators.

Figure.7.8: An Example of CFA Path Diagram
The Relationships between Perceived Risk and Influence of the 4P's
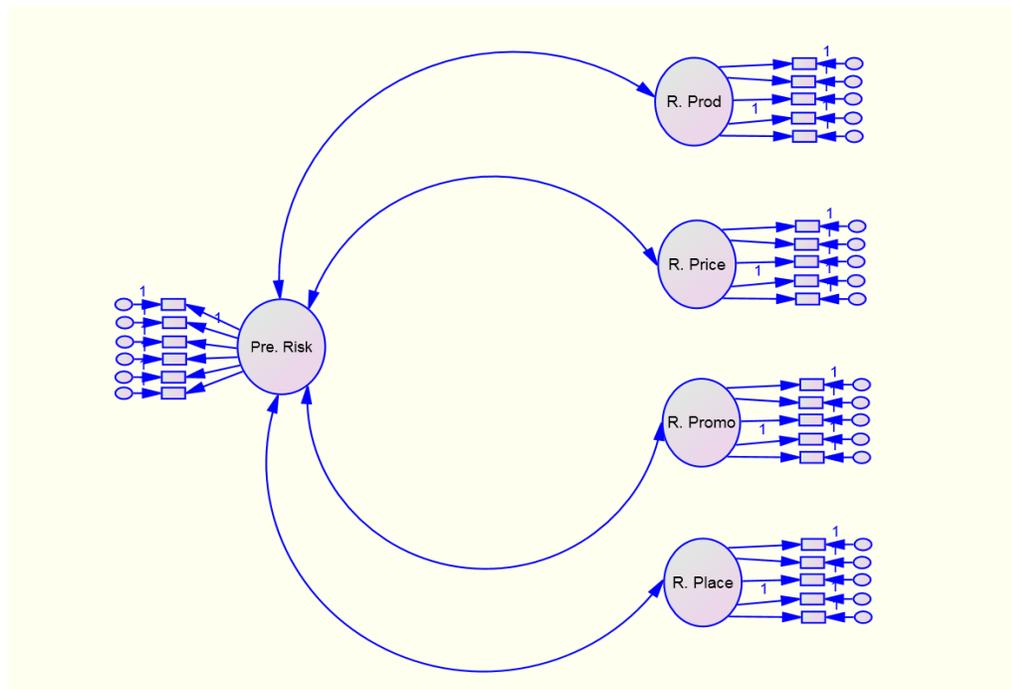
The relationship between behavioural aspects and consumer's response to the marketing programme is analysed to evaluate the research hypotheses using the computer programme AMOS.18 (Analysis of Moment Structure). It is worthy to mention that the objective here is to contribute to develop a model of consumer buying behaviour toward the foreign home appliances marketing programmes in Libya. This can be obtained

205

through investigating the causal relationship between behavioural aspects and consumer's response, and comparing the direct effect and relative importance of these variables' components. To achieve this, the sub-objectives can be restated in consideration of the use of SEM:

1. To establish the variables (Behavioural Aspects) influencing buying behaviour of Libyan consumer toward foreign marketing programmes (4P's) in home appliances purchases.

2. To identify the extent to which these variables, factors and constructs influence buying behaviour.

3. To compare the relative importance of factors and constructs influencing buying behaviour of Libyan consumer in home appliances purchases.

In this context, SEM provides a ready means of estimating and testing the theoretical structures with the relationships between them and their measures. It seeks to explain the structure or pattern among a set of latent variables, factors and constructs, which are measured by manifest indicators (Blunch, 2008). In other words, SEM investigates the systematic effects of theoretical (non-hypothesised) factors on hypothesised relationships, and compares hierarchically related theoretical structure with the ability to take measurement error into account (MacKenzie, 2001). Further, it provides better model visualisation through its graphical modelling interface (MacKenzie, 2001; McDonald and Ho, 2002; Garson, 2009). Thus, SEM analysis was undertaken as a statistical methodology,

Generally, the process consists of two main parts (conditions); the first one is to ensure that the measurement model describes the connections between the latent variables and their manifest indicators. Secondly, the structural model, which describes the connections among the key latent variables (buying behaviour and behavioural aspects) (Jarvis *et al.,* 2003). However, in the current analysis, the conceptual framework of this research is used in the examination above. This framework is derived from the consumer buying behaviour models in the marketing literature (Jain, 1989; Hawkins *et al.,* 1998; Kotler 2003; Lekakos and Giaglis 2004; Viswanathan and Dickson, 2007). Also, the reliability and validity of its constructs and measurements were examined (see Chapter 6, section 6.2.5.2 and Appendix.4).

Table 7.32 shows the latent variables, their components and the indicators (items) of each indicator. The latent variables were measured by summated Likert scales of its items in the questionnaire. The internal consistency (*Alpha*) was used to test the reliability of these constructs (Nunnally and Bernstein, 1994; Burns and Burns, 2008). The Alpha values are shown in Appendix.4.

Table 7.33: The Latent Variable Indicators

Key Constructs	Label in graph	Construct's Components	Indicator/Scale
Buying Behaviour to 4P's	R.Product	Response to Product	5 items 5-point
	R.Price	Response to Price	5 items 5-point
	R.Promo	Response to Promotion	5 items 5-point
	R.Place	Response to Distribution	5 items 5-point
Behavioural Aspects	Sig.of.Qual	Signals of quality	4 item 5-point
	Pre.Risk	Perceived Risk	6 item 5-point
	Eth.N	Ethno-national Identity	3 items 5-point
	Cul.Open	Openness to Foreign Culture	4 items 5-point
	Ad.Effect	Ad effect on the behavioural response	4 items 5-point
	Sho.Behaviour	Aspects of Shopping Behaviour	4 items 5-point

7.5.2. Model Estimations and Evaluation

As mentioned previously and shown in Figure.5.9, the type of current measurement model is Reflective 1st Order and Formative 2nd Order. Therefore, the investigation of these relationships, which are in one dimension of the construct (Formative Second-order), fall into six sub-models. Namely, each consumer's behavioural aspect (e.g., Perceived Risk, see Table 7.12) was tested via SEM/CFA with the consumer's response toward the four components of marketing programme witch reflect his/her buying behaviour. In this section, the estimations and evaluation for each sub-model are presented.

The behavioural aspects and buying behaviour model was estimated by SEM using latent constructs in (see Table 7.32). The good-fit sub-models (shown in the panels of Appendix.7) depict the hypothesised causal structures. The sub-models were evaluated by measures of fit provided by AMOS. In the model evaluation, there is no ideal way to present the fit indices. However, some authors recommend reporting chi-square (CMIN), goodness-of-fit index (GFI), adjusted goodness-of-fit index (AGFI), root mean square residuals (RMR) and root mean square error of approximation (RMSEA) (Bredahl,

2001; McDonald and Ho, 2002; Garson, 2009). Regarding to CMIN, as the model chi-square is so conservative, this test may be misleading (i.e., in the case of complex model and/or large sample). Accordingly, a significant chi-square is not a reason by itself to modify the model and, therefore, a model can be accepted (good-fit) if other model fit measures support the model (Garson, 2009).

This set of goodness-of-fit measures are based on fitting the model to sample moments using comparing the observed covariance matrix to the one estimated on the assumption that the model being tested is true (Blunch, 2008). Here, model good-fit evaluation is so critical. It determines if the model being tested should be accepted or rejected. These tests do not demonstrate that particular paths within the model are significant. However significant path coefficients in poor fit models are not meaningful (Garson, 2009).

Table 7.33 reveals the recommended measures by literature for goodness-of-fit. All the other indicators' results are listed in Appendix.7. It's notable from the table that the Response to Price is not listed. This is because CFA test of the Response to Price and the Behavioural Aspect did not generate any good-fit model. Also, it can be noted that the Shopping Behaviour aspect produced accepted models (good-fit) with the three responses toward the marketing programme. However, the absence of a significant relation between the other latent variables (Response to Price and the Behavioural Aspects) imply to the independency nature of consumers' responses towards the foreign pricing decisions from the effect of behavioural aspects. Presumably, this raises the question of whether the cultural context can contribute to our understanding of Libyan consumer buying behaviour towards the foreign pricing decisions.

Table 7.34: Model Fit Summary

Response to Product and Behavioural Aspects*

Behavioural Aspects	CIMN	RMR	GFI	AGFI	RMSEA
Ethno-national Identity	0.000	0.05	0.980	0.962	0.05
Shopping Behaviour	0.00	0.05	0.978	0.961	0.04

Response to Promotion and Behavioural Aspects*

Behavioural Aspects	CIMN	RMR	GFI	AGFI	RMSEA
Signals of Quality	0.000	0.05	0.983	0.971	0.04
Ethno-national Identity	0.007	0.04	0.988	0.978	0.03
Shopping Behaviour	0.002	0.04	0.985	0.975	0.03

Response to Distribution (Place) and Behavioural Aspects*

Behavioural Aspects	CIMN	RMR	GFI	AGFI	RMSEA
Signals of Quality	0.015	0.36	0.988	0.979	0.29
Ethno-national Identity	0.012	0.04	0.988	0.978	0.03
Openness to Foreign Culture	0.002	0.03	0.986	0.976	0.03
Shopping Behaviour	0.001	0.04	0.984	0.973	0.03

The model is good fit when:

p (CMIN) > 0 .05, GFI ≥ 0.90, AGFI ≥ 0.90, RMR ≤ .05, RMSEA ≤ .05

Generally, the values show a good fit of the models, which indicates the covariance between some behavioural aspects and buying behaviour towards 3P's is significantly different from zero at the 0.05 level. In other words, the ability of this model in the explanation of the consumer's responses towards three components of the marketing programme (Product, Promotion and Distribution) and their relationship with his/her behavioural aspects was statistically accepted. Accordingly, these accepted models provide an opportunity to go further to investigate the statistical relations in order to reveal that if there is significant causal relationship between the latent variables, and they are time sequences (covariance).

Table 7.34 exhibits the results of the covariance and correlation between the latent variables (Response to the 4P's and Behavioural Aspects). As mentioned previously, testing the relationships between the latent variables in a poor-fit model, clearly, is meaningless. Hence, Table 7.34 illustrates the covariance and correlation tests for the good-fit models.

Table 7.35: Correlations and Conversances between the Latent Variables

Response to Product and Behavioural Aspects

Behavioural Aspects	Covariance	C.R	Correlation
Ethno-national Identity	0.007	0.248	0.012
Shopping Behaviour	0.002	0.275	0.229

Response to Promotion and Behavioural Aspects

Behavioural Aspects	Covariance	C.R	Correlation
Signals of Quality	-0.013	-1.612	-0.106
Ethno-national Identity*	0.025	2.523	0.175
Shopping Behaviour	0.000	-0.131	-0.149

Response to Distribution (Place) and Behavioural Aspects

Behavioural Aspects	Covariance	C.R	Correlation
Signals of Quality*	0.124	3.826	0.231
Ethno-national Identity	-0.052	-1.797	-0.083
Openness to Foreign Culture*	0.081	2.587	0.124
Shopping Behaviour	0.004	0.422	0.234

* Covariance is significant as the Critical Ratio (C.R) > 1.96

The table shows three significant covariance relationships between the latent variables. In this context, the significant covariance is an indication for the possible existence of a causal relationship between the two latent variables. In Table 7.34, the behavioural aspect of Ethno-national Identity (*Cov = 0.025*) played a significant role in Consumer's Response toward the foreign Promotion activity. In this context, some marketing literature (e.g., Mager and Hulpke, 1990; Lundstrom *et al.,* 1998) has stated that marketers are concerned with the effect of this aspect on consumer behaviour, as it has a significant effect of the purchase intention.

Similarly, consumer' considerations about Signals of Quality (*Cov = 0.124*) and his/her Openness to Foreign Culture (*Cov = 0.018*) have causal relationship with Consumer's Response toward foreign Distribution channels in Libya. Here, this result implies that the Openness to Foreign Culture is an important factor in determining acceptance, and purchase intention (Sharma *et al.,* 1994; Lundstrom *et al.,* 1998). Regarding to the

aspect of Quality Signals, it is not surprising to find it has a significant relationship with consumer's response toward marketing, because this aspect is likely to be universal and has a significant influence on consumer buying behaviour (Dawar and Parker, 1994). Consequently, as mentioned in the research question (Q4), these three individual preferences can be taken as significant variables in understanding the impact of foreign marketing programmes for Libyan consumers.

Although the Goodness-fit tests (Table 7.33) determine if the model can be accepted or rejected and the covariance test reveal the significant relationships between the latent variables (Table 7.34), they do not establish that particular paths within the model are significant (Garson, 2009). Therefore, the investigation of relationships here focuses on interpreting the path coefficients in the model.

In Table 7.35 and Table 7.36, the good-fit conducted model show a number of significant connections between the latent variables and their manifest indicators. As mentioned previously, these connections embody the measurement model, which illustrates the direct effect of each indicator on its latent variable (Jarvis *et al.,* 2003; Blunch, 2008). This effect and the relative importance were estimated through the standardised regression weights (Garson, 2009). The two tables exhibit the values of standardised structural coefficients of the indicators effect in the latent variables. It can be noted from the table that the indicators with symbol (*a*) were selected as references by assigning the value of 1.0 to their path in order to estimate the remaining paths. This selection was conducted based on the factor analysis, as these two indicators have the heaviest load on the dimension represented by the latent variable.

The interpretation of the standardised weight in Table 7.35 is that when a standardised structural coefficient is 0.265 (in the case of 1st indicator of Response to Product with Ethno-national Identity), this means when the latent variable Response to Product goes up by 1 standard deviation, the first Response to Product's indicator goes up by 0.265 standard deviations (Blunch, 2008; Garson, 2009). Similarly, Table 7.36 shows the standardised structural coefficient of the Behavioural Aspects' indicators. The table shows that most paths are significant in different levels. Obviously, this reveals the ability of the indicators in explaining the latent variables (McDonald and Ho, 2002).

Table 7.36: Standardised Structural Coefficients of the Response toward the 4P's

Latent variable	Indicators/Items	The Behavioural Aspects			
		Signals of quality	Ethno-national Identity	Cultural Openness	Shopping Behaviour
Product	Products have consistant quality		0.265*		0.273*
	Products have good guarantee		0.417*		0.430*
	Maintenance and repairing		0.404*		0.414*
	The expected quality of products [a]		0.716*		0.713*
	I am satisfied with products		0.651*		0.637*
Promotion	Ad is annoying	0.960*	0.692*		0.685*
	Ad makes fales claims	0.663*	0.662*		0.667*
	It is better if Ad was eliminated	0.481*	0.480*		0.479*
	I enjoy Ad [a]	0.143*	0.146*		0.142*
	Ad doesn't consider the society	0.520*	0.519*		0.524*
Distribution	Most stores serve their customers well [a]	0.700*	0.696*	0.694*	0.687*
	Most retail salespeople are very helpful	0.651*	0.656*	0.658*	0.666*
	Most stores provide an adequate selection	0.537*	0.573*	0.571*	0.570*
	The assistance in stores isn't as expected	0.246*	0.249*	0.251*	0.253*
	Most retailers provide adequate service	0.575*	0.574*	0.576*	0.575*

[a] *Reference Indicator*

* Significant at p < .01

Table 7.37: Standardised Structural Coefficients of the Behavioural Aspects

Latent variable	Indicators/Items	The Response toward marketing programme		
		Product	Promotion	Distribution
Signals of quality	I use Brand name as a signal of quality for purchasing home appliances		0.162*	0.163*
	I use Price as a signal of quality for purchasing home appliances [a]		0.570*	0.566*
	I use the Physical Appearance as a signal of quality		0.554*	0.547*
	I use the Retailer Reputation as a signal of quality for home appliances		0.421*	0.433*
Ethno-national Identity	I feel guilty if I choose to buy foreign products over domestic products [a]	0.633*	0.634*	0.632*
	The purchasing of goods from other countries shoul be only in necessity	0.877*	0.874*	0.880*
	Buying foreign products hurts our economy and countrymen	0.579*	0.582*	0.577*
Cultural Openness	I like to keep up with international affairs [a]			0.340*
	I am interested in foreign cultures			0.797*
	I enjoy foreign films and TV pro grams			0.543*
	I make special effort to meet foreigners			0.672*
Shopping Behaviour	I choose a store according to previous purchasing.	0.600	0.561	
	I prefer to buy from the store that I know before.	0.694	0.748	
	I prefer to go shop around to find different offers [a]	0.012	0.006	
	Choosing brand is more important than choosing store	0.287	0.272	

[a] *Reference Indicator*

* Significant at p < .01

213

In the standardised structural coefficients of the Response toward the four Ps (Table 7.35), all the standard weights were highly significant ($p < .01$) across the tests of the four behavioural aspects. The indicators of *'the expected quality of products'*, *'ad is annoying'* and *'most stores serve their customers well'* were the highest standardised structural coefficients in Response to Product, Promotion and Distribution respectively. Regarding to the indicators of the behavioural aspects in Table 7.36, *'I use Price as a signal of quality for purchasing home appliances'*, *'the purchasing of goods from other countries should be only in necessity'* and *'I am interested in foreign cultures'* were the highest standardised structural coefficients in Signals of quality, Ethno-national Identity and Cultural Openness respectively. Consequently, these significant indicators can be considered as crucial determinants and predictors of their latent variable.

By contrast, it is notable in Table 7.36 that the behavioural aspect of Shopping Behaviour does not produce any significant standardised structural coefficient. , these insignificant scores might be attributed to the fact that as this latent variable's indicators (Shopping Behaviour) were used to identify two types of shoppers (Loyal customers to their seller and Non-loyal customers) (Weisbuch *et al.*, 2000; Mcim, 2001), the respondents' answers fell into two extremes which decrease the indicators' relative important. Accordingly, the aspect of shopping behaviour cannot be predicted significantly by the used indicators within its relationships with consumer Response toward Product and Promotion decisions in Libyan market.

Consequently, as the variables and indicators in this model are derived and adapted from the marketing literature (Hawkins et al., 1998; Kotler 2003; Lekakos and Giaglis 2004; Viswanathan and Dickson, 2007), the produced standardised weights of the indicators – which reflect their relative importance and direct effect – will contribute to re-depicting the research framework (see Figure 5.8, Chapter 5) to be a representative framework for the buying behaviour of Libyan consumer toward foreign marketing programmes in home appliances purchases. However, the results' model of Libyan consumer buying behaviour is presented and discussed excluding insignificant relationships in chapter 8.

7.6. Chapter Summary

The tasks that conducted through the stage of data analysis converted the raw data to usable information. As this current research seeks to confirm the theory of marketing effect on consumer behaviour, and standardisation perspective in marketing through deductive approach, hypotheses derived from the marketing literature were investigated empirically, and in chapter 8 (Table 8.38) they were confirmed or disconfirmed.

The data were collected from two sources (marketing managers and general public consumers in Libya) in order to study the foreign marketing programmes in Libya from two different views. Accordingly, two phases were followed in this analysis (1) exploring the degree of marketing programme standardisation currently adopted from the foreign companies in Libyan market and (2) identifying the consumer buying behaviour towards these programmes. In the first phase, descriptive statistics (e.g., mean and percentages) were used to determine the actual degree of marketing programme standardisation and the decision influencing factors. In the second phase, various statistical tests were used besides the descriptive ones. This was in order to investigate the interrelationships between the variables and influences of consumer buying behaviour (see Figure 5.8, Chapter 5). Mainly, Cross-tabulation test, ANOVA, Chi-square and SEM/CFA were conducted to test the significance of these relationships. The selection of this statistical package was based on the adopted research design (see Table 6.4, Chapter 6) to satisfy the exploratory nature of the analysis.

In this research, the foreign marketing practices in Libyan market and the influencing factors on standardisation decision, which represent the first phase, were determined and analysed. Also, the consumer buying behaviour towards these practices the relationships between the constructs of the consumer behaviour framework, which represent the second phase, were investigated and evaluated. The discussion of the findings is provided in the next chapter.

8. CHAPTER 8: DISCUSSION

In the behavioural and social sciences, you can never prove a causal relationship; you can only render it probable (Blunch, 2008: 11)

8.1. Introduction

As mentioned earlier in Chapter 1, this thesis sets out to investigate the effect of marketing programmes on the buying behaviour of Libyan consumers through (1) identifying the influence of foreign marketing programmes on the buying behaviour of Libyan consumers (2) determining how Libyan consumers are influenced by marketing programmes according to individual characteristics to build a model for their buying behaviour.

In addressing these aims, a framework of consumer buying behaviour with internal and external influences was developed from the relevant literature (see Figure 5.8, Chapter 5), and the interrelationships between the variables were investigated (Chapter 7). Figure 8.13, below, demonstrates how the concepts of the framework and the research objectives are addressed within the overall structure of the thesis.

The figure reveals the process and the key stages of the research. Briefly, Chapter 1 provides an introduction to the thesis, outlines the aims, identifies the research problem and delineates the methodology. Then, Chapters 2, 3 and 4 represent the theoretical part of the thesis. Each one contributes to a sub-framework (Marketing Programme, Consumer Buying Behaviour and Standardisation Decision), which are subsequently drawn together and discussed in Chapter 5. Also, the measurement model specification were determined and discussed. Adopted methods for data collection are described, justified and validated in Chapter 6, whilst results from the framework investigation are set out in Chapter 7. Subsequently, in this chapter (Chapter 8), findings from each research phase are summarised and discussed within the research questions context and the major conclusions about the research problem are, then, underlined in Chapter 9. The aim of this chapter is to provide a detailed picture of the project by bringing together the research findings and contributions to Consumer Behaviour and Marketing Management.

Figure.8.9: The Thesis Overview

Chapters	The main aims to address	Key points	
1	Provide an overview on the research plan	Research problem Research questions and aims Research context Contribution to knowledge	**Research Design**
2	Review the current standing of an old and ongoing debate about the Marketing Mix	The appropriate Marketing Mix for investigating the consumers' response toward the foreign marketing	
3	Discusses the influencing role of marketing activities in the Consumer Buying Process	Addresses an overall model of consumer behaviour, and how its influences interact between each other.	**Literature Review**
4	Address the debate of the standardisation versus adaptation decision within context of consumer behaviour	The degree of standardisation The influencing factors on the decisions of the foreign marketing programme	
5	Depict a framework which is a combination of consumer behaviour influences and marketing programme.	The conceptual framework within research questions Measurements model specification	
6	Formulate and justify the adopted research design	Research philosophy and methods Validity and reliability test Measurement development process and instruments' items	**Methods**
7	Demonstrate the actual marketing practices in Libyan market and the consumers' responses toward them	The standardisation degree The influence of foreign marketing on Libyan consumers	
8	Summarise and discuss the research findings from the two phases	Confirm/disconfirm the research hypotheses The overall model of the research findings	**Empirical Part**
9	Underline the major conclusions about the research problem	Conclusions Implications Limitations and further research Recommendations	

This chapter is organised in the following manner: in section 8.2, findings from each research phase (manager interviews and consumer survey) are summarised and discussed within the research context and framework (see Figure 5.8, Chapter 5). Based on this section, major conclusions about the research problem are underlined (Section 8.3). In Section 8.4, the theoretical and managerial implications of this research are addressed. Limitations followed by directions for further research are presented in the ultimate section.

8.2. Discussion of Research Findings

In this section, an overall evaluation of research hypotheses is presented. Here, the structure is according to the sequences of the four research questions (see Section 1.2, Chapter 1).

8.2.1. The Degree of Adaptation/Standardisation in Libyan Market

(Research Question 1)

According to the structure of the research constructs (Appendix 4) and the interview schedule (Appendix 2), the discussion of findings, here, falls into two categories.

8.2.1.1. The Criteria

As identified in Chapter 1, this research seeks, firstly, to answer, '*to what degree do foreign companies adapt/standardise marketing programmes for Libya?'*. To obtain this, interviewees' answers were analysed and interpreted to establish an aggregate response for each of six marketing programme activities (see Table 7.6, Chapter 7). The results showed that the 'distribution' was the only activity to be adapted by all four home appliance companies. In Libya, all companies delegate distribution activities to local agencies, and give absolute discretion in respect of stocking, flow and outlet choice. Local agencies in Libya adopt a flexible approach to distribution using both major retailers and small shops, all offering a free delivery service. This conforms to a general model of international marketing mix structure whereby, in a goods marketing framework, product, promotion and pricing are more likely to be centrally controlled than is 'place' (Rafiq and Ahmed, 1995).

In the analysis of the marketing activities of the four local agencies, Company C was one significantly different supplier, as none of its marketing activity categories remains

standardised. This was typified by the fact that this local agency requests from its home company to remove/add some products' feature depends on the Libyan market conditions. On the contrast, Company A applies a 'standardisation' perspective in most marketing activities of its programme. However, in the Arab World markets, the foreign companies might find themselves are compelled to their products according to the specific needs of this region, including, for example, unique climate conditions (e.g. dusty atmosphere and high temperature) (Leonidou, 1991).

Besides, managers were also asked to provide a view on the degree of similarity between specific marketing programme features in, a) Libya and, b) their home country (Ozsomer and Simonin, 2004). The results (see Table 7.7, Chapter 7) showed that 'brand name' was the most common feature, followed by two other product-related elements; packaging and physical characteristics. Unsurprisingly, distribution practices were the least standardised element, with managers declaring that suppliers depend substantially on maintaining personal relationships with the local distributers. They also suggested that the home appliances products, especially, have shared characteristics which enable them to use the universal appeal to families.

8.2.1.2. The Decision Factors

In order to provide, more, a detailed view on the standardisation decision and contribute to the development of the research framework, the surrounding factors of the marketing standardisation decision were studied. Using the 'international decision process' model (Kotler 1986; Jain, 1989), the research investigated the factors that influenced adaptation/standardisation decisions. Interviewees were asked what product adaptations they believed were necessary to facilitate entry into Libyan market (see Table 7.8, Chapter 7). The results exhibited that Company C remains different. It is promoting a regional product design policy for Arab speaking countries, whereas the product features are not to be especially relevant for the other three companies. This general tendency toward the maintenance of standardised product features appears partially a function of electronic products/home appliances which being considered, especially, suitable for globally standardised market strategies (Dawar *et al.,* 1997; Kotler, 2005).

Preferred 'mode of entry' was also investigated. The results showed that all foreign suppliers of home appliances for the Libyan market used 'local agency' as a means to establish their presence. This appears to be a relatively well-supported strategy for

penetrating markets in developing countries (Schuh, 2000; Griffith *et al.,* 2002), and all four managers reported that headquarters was happy with this means of instituting a foothold in the Libyan market.

In the evaluation of the headquarters-subsidiary relationship*,* managers revealed that there was a considerable consensus over a range of issues, not least in respect of standardisation/adaptation, and that perceived levels of accord were a major factor in forming the characteristics of current marketing programmes.

Also, this current research investigated the competition-related factors that might impact decisions concerning adaptation/standardisation. As the results showed that three local agencies (A, B and D) evaluate current competition at the home appliances market level only (also called direct or category competition), whereas Company C's perspective includes possible substitutes (also called indirect competition), it implies that Company C is more aware of the wider impact/nature of competitors, and has a different view of the market. In this context, Jain (1989) suggested that a relatively low level of competition was likely to foster a tendency toward standardisation, while in high competition markets organisations may feel compelled toward adaptation. Further, with taking into account that Company C's products were adapted more than those of other, competing, overseas suppliers, it may be that – as a consequence of its wider/more nuanced perspective – it identified adaptation imperatives that other companies did not.

8.2.2. Buying Behaviour and the Degree of Standardisation

(Research Question 2)

The second question in this research is '*how are Libyan consumers influenced by foreign marketing programmes?'* Using (1) AMA's definition of consumer behaviour (Luna and Gupta, 2001; American Marketing Association, 2007) as a context with (2) the cognitive approach (Marsden and Littler, 1999), the foreign marketing influence was measured based on the mean values through a battery of 20 items which reflects the consumers' evaluation toward the foreign marketing programmes (see Table 7.12 and 7.13, Chapter 7). The Marketing Mix framework (4P's) was used to represent the marketing programme aspects in the home appliances Libyan market, as it prevails the research on global marketing programme (e.g., Ozsomera and Simonin, 2004; Siraliova

and Angelis, 2006; Viswanathan and Dickson, 2007) even those conducted in the Arab World (e.g., Souiden, 2000, 2002). Also, it is commonly used by some international home appliances companies across the world (Ronkainen and Menezes, 1996; LG's Growth Strategies in India, 2006).

Results showed that the consumer's interest was primarily focused on the 'distribution' channels (the most adapted), followed by the 'product' aspect of the marketing mix (coincidentally, the least adapted). Besides this, almost half the sample (46.4%) expressed a high level of purchase intention toward the foreign home appliances. By contrast, consumers' responses to foreign 'promotion' activities in Libyan market revealed that it is not influencing on their buying behaviour on the aggregated level (for all companies in Libyan market). Similarly, consumers' evaluation for home appliances 'pricing' was under the influence cut-off score ($M < 2.68$). It is also worth noting that the results showed a little difference in reaction between consumers with 1) high, and 2) low exposure to international influence (Craig and Douglas, 2005), and that those experiencing little prior international contact demonstrated a surprisingly elevated openness to foreign culture.

As discussed above (section 8.2.1), the four companies under research adopt different degrees of standardisation in their marketing programmes. To obtain full answer to the question above, therefore, the consumers' responses toward each marketing programme were identified. Using cross-tabulation (see Table 7.14, Chapter 7), the levels of marketing influence, based on the mean values (see Table 7.12, Chapter 7), were identified across the foreign companies. The results illustrated that Company C, again, is significantly different in terms of the influence of marketing programme on consumers: its offering attracted more consumers than the other three companies. Taking into account that Company C is (1) different in the position of marketing activity in a company, (2) concerning about the competition level and considering the local context, this implies these factors might impact on the level of marketing influence on Libyan consumers.

The cross-tabulation analysis, also, showed that there is no significant relationship between the degree of standardisation and the influence of marketing mix component on consumers. However, the superiority of Company C (the most adapted marketing mix)

in this instance indicates that the cross-mix standardisation might play a significant role in effectiveness of the marketing programme.

8.2.3. Behavioural Aspects and Individual Characteristics

(Research Question 3)

To answer the third research question, which asks '*to what extent do cultural and/or individual factors impact on Libyan consumer perspectives toward foreign marketing programmes*?' the impact of the individual factors was examined using ANOVA, Chi-square and regression. Regarding to the cultural factors, the sample individuals are Libyans, and live in Libya. Therefore, they have exactly the same local culture (Libyan/Arabic; see Section 3.9, Chapter 3), so that any differences in their consumer behaviour could be more confidently ascribed to individual factors, because the cultural variables, *in this instance,* are constant.

Factors examined (Nader, 1969; Dawar *et al.,* 1996, 1997; Armstrong and Kotler, 2008; Gaski, 2008) were: key demographics, reliance on producer information, preferences, response to advertising, risk taking and shopping habits. The results showed that an individual's economic situation, education level and occupation/work were the most important behavioural modifiers and that, generally, buying behaviour was more a function of individual difference than of marketing mix, country-of-origin or localised adaptation variables.

This finding tends to support the idea that global cultural convergence, universally adopted demand factors, low trade barriers, and technological advancement (Levitt, 1983; Ozsomera and Simonin, 2004) may well combine to override cultural distinctiveness, especially in developing economies such as Libya. In this context, a continuing growth in middle-eastern cosmopolitanism has been noted by Souiden (2002), whilst Drucker (2001) has commented on the tendency of the middle-classes in emerging markets to regard themselves more as citizens of the world than as representatives of their own, native, culture.

8.3. The Results' Model of Libyan Consumer Buying Behaviour

(Research Question 4)

As the current research contribute to provide understanding of Libyan consumer buying behaviour toward foreign marketing, the fourth, and ultimate, research question is *'what are the key cultural and/or individual factors that should be taken as significant variables in the marketing programmes for Libyan consumers?'* As illustrated in Figure 8.14, the research results, in this chapter, are summated, aggregated and summarised within the context of research questions. Here, in this section, the focus is mainly on the significant interrelationships in order to produce a representative framework for buying behaviour of Libyan consumer.

To begin with, an overall evaluation of this research's hypotheses is presented. Table 8.38 illustrates the proposed relationships between this research's constructs with the used analysis and the general assessment. These theses fell into two parts (A and B) according to the information source (Phase I and II). Then, these relationships and influences are depicted in Figure 8.14. This figure distinguishes between three types of results; Supported, Partly Supported and Rejected influences. Also, it reveals which relationship was investigated in which research phase.

Figure 8.14 shows the four foreign home appliances companies are present in Libyan market via four local agencies. Based on the interviews analysis, these companies delegate some marketing activities to their agents in Libya, and keep full control on the others. Clearly, the delegated marketing activities are more locally adaptable, whereas the standardisation would be facilitated for the others (Quelch and Hoff, 1986; Jain, 1989; Theodosiou and Katsikeas, 2001). Although it was expected that the foreign companies standardise their offerings in Libyan market, as a result of their short time and the lowest level presence (Schuh, 2000; Griffith *et al.,* 2002), the results showed a range of marketing standardisation in these programmes. However, the analysis revealed that the highest adaptation level between the four companies, excluding the distribution channels, was just Slightly Adapted (see Table 7.6, Chapter 7). Also, the local agencies of these companies consider that the key marketing aspects which they conduct, again excluding distribution, are quite similar with these ones in the home countries' markets.

From the local agents' point of view, the degrees of standardisation that they implement are influenced by a set of factors. As shown in Figure 8.14, by lined and dashed arrows, the results exhibited that the product features and mode of entry embody significant factors. In the level of competition and headquarters-subsidiary relationship, the influence was partly confirmed. This is because although company C (has the most adapted marketing) identified the competition level differently than the other three companies (have less adapted marketing), this was insufficient to approve that the competition level has a link with the standardisation degree for each company.

Table 8.38: Overall Evaluation of the Research Hypotheses

A) The research Hypotheses of the Phase I (interviews)	Analysis/Measurement	Results*
H.7 : the foreign marketing programmes in Libyan market are standardised.	New developed criteria of the standardisation degrees	
Local Agent of Company A	*Marketing research, 4P's and Marketing Control*	Supported
Local Agent of Company B	*Marketing research, 4P's and Marketing Control*	Partly supported
Local Agent of Company C	*Marketing research, 4P's and Marketing Control*	Rejected
Local Agent of Company D	*Marketing research, 4P's and Marketing Control*	Partly supported
H.8 : the used 4P's in Libya are similar with the home country market	Descriptive statistics (weighted mean value)	
Product	*Physical Characteristics, Brand & Packing*	Supported
Promotion	*Sales, Positioning, Media & Advertising*	Partly supported
Pricing	*Pricing policy & method*	Supported
Distribution	*Channels, Customer Service & Sales Force*	Rejected
H.9 : The factors, below, influence on the degree of standardisation	Exploratory descriptive through MCQ	
product features	*The model of the international decision process*	Supported
Mode-of-entry	*The options for legal commercial presence in Libya*	Supported
Headquarters-subsidiary relationship	*Consensus with key standardisation issues*	Partly supported
The level of Competition	*Considerations toward competitors*	Partly supported

B) The research Hypotheses of the Phase II (consumer survey)	Analysis	Expected value	Results	Sig	Results
H.5: he foreign marketing influences on consumer buying behaviour					
Product	Weighted mean	*M > 3*	*3.47*		Supported
Pricing	Weighted mean	*M > 3*	*2.68*		Rejected
Promotion	Weighted mean	*M > 3*	*1.70*		Rejected
Distribution	Weighted mean	*M > 3*	*3.35*		Supported

Table 8.38: Overall Evaluation of the Research Hypotheses (Continued I)

	Analysis/Measurement			Results
H.6: the degree of standardisation is a significant variable in influencing on Libyan consumers.	Cross-tabulation (percentages and frequencies)			
Product standardisation	*Standardisation degree/consumer's responses*			Rejected
Pricing standardisation	*Standardisation degree/consumer's responses*			Rejected
Promotion standardisation	*Standardisation degree/consumer's responses*			Rejected
Distribution standardisation	*Standardisation degree/consumer's responses*			Rejected
Cross-mix standardisation degree	*Standardisation degree/consumer's responses*			Partly supported
H.2: the behavioural aspects of Libyan consumers are influenced by their individual characteristics.	**Analysis**	**Value/Result**	**Sig**	
Use of Information Sources**	*Chi-Square*	-	*.05*	Partly supported
Shopping behaviour**	*Chi-Square*	-	*> .05*	Rejected
Consumers' preferences**	*ANOVA*	-	*.05*	Partly supported
Perceived risk**	*ANOVA*	-	*.05*	Partly supported
Consumers' response toward advertising**	*Chi-Square*	-	*.05*	Partly supported
H.3: the behavioural aspects is causally linked with buying behaviour toward 4P's	**Analysis**	**Value/Result**	**Sig**	
Product	*CFA/ Covariance*	-	*> .05*	Rejected
Pricing	*CFA/ Covariance*	-	*> .05*	Rejected
Promotion				Partly supported
Ethno-national Identity	*CFA/ Covariance*	*.025*	*.05*	
Distribution				Partly supported
Signals of Quality	*CFA/ Covariance*	*.124*	*.05*	
Openness to Foreign Cultures	*CFA/ Covariance*	*.081*	*.05*	

Table 8.38: Overall Evaluation of the Research Hypotheses (Continued II)

H.1: the responses' toward 4P's can predict buying behaviour	Analysis	Value/Result	Sig	Results
*Product**	*S. Regression*	-	*< .01*	Supported
*Pricing**	*S. Regression*	-	*< .01*	Supported
*Promotion**	*S. Regression*	-	*< .01*	Supported
*Distribution**	*S. Regression*	-	*< .01*	Supported
H.4: the used indicators can predict the behavioural aspects as one construct	Analysis	Value/Result	Sig	
*Signals of Quality**	*S. Regression*	-	*< .01*	Supported
*Ethno-national Identity**	*S. Regression*	-	*< .01*	Supported
*Openness to Foreign Cultures**	*S. Regression*	-	*< .01*	Supported
*Shopping behaviour**	*S. Regression*	-	*> .05*	Rejected

* Supported: all constructs' components are significant

  Partly supported: some constructs' components are insignificant and/or the thesis confirmation needs further test

 Rejected: all constructs' components are insignificant

** There is no single test value under, as the statistical analysis was conducted on two or more sub- variables. The details are provided in the analysis tables (Chapter.7).

Figure.8.10: Relationships between Variables of the Research Framework

Results from interviews (Phase.1)

Results from consumer survey (Phase.2)

Decision factors   H.9

The influence of cross-mix standardisation (all 4P's)   H.6

| Product features |
| Mode of Entry |
| Competition |
| Head-subsidiary relationship |

Libyan national/local context

Constant variable

Consumer

The Degree of Standardisation
- Co.A Standardised programme
- Co.B Standardised/Adapted
- Co.C Adapted programme
- Co.D Standardised/Adapted

H.7

H.8

Aspects   H.2   *Characteristics*

| Preferences |
| Perceived Risk |
| Shopping Behaviour |
| Response to Advertising |

| Age |
| Gender |
| Marital Status |
| Education |
| Work |
| Inter Exposure |
| Income |

Consumer response toward the foreign marketing programmes

Purchase intention

22.2% of Consumers definitely will to buy in next 6 months

Purchase Decision

Co's	*%*
LG	**35**
HITACHI	**1**
SHARP	**7**
PHILIPS	**0.6**

Enter Libyan market via Local Agencies

Implemented by the Local Agencies

H.4

H.1

H.3

Marketing Programme

Only three consumer's preferences

| Product |
| Price |
| Promotion |
| Distribution |

Foreign Home Appliances companies in Libyan market
- SHARP
- PHILIPS
- LG
- HITACHI

H.5

Direction of Process

Influences Directions

Supported

Partly Supported

Rejected

228

As shown in Figure 8.14 under the Phase I, the foreign companies arranged with their agents to design marketing programmes using different degrees of standardisation. Then, their local agents who do conduct the marketing implementations in Libyan market to consumers. As in marketing literature (e.g. Kotler, 2003; Jobber, 2007; Peter and Olson, 2008), marketing programmes are supposed to have an influence on consumers, Libyan consumers were asked to evaluate the offerings (marketing) of foreign home appliances companies which reflects such influence.

In Figure 8.14, the arrows which point from the marketing programme represent the influence of the four Ps on the consumer. It is noted that the Pricing ($M = 2.68$) and Promotion ($M = 1.70$) of the foreign companies have no influence on Libyan consumer (lighted-arrows). By contrast, the Product decision ($M = 3.47$) (highly standardised) and Distribution channels ($M = 3.35$) (highly adapted) have influence on consumer (darken-arrows). This implies that the impact of standardisation degree is insignificant, as the latter two represent the two extremes of marketing standardisation in the foreign marketing programmes in Libyan market.

Nevertheless, the analysis of consumer responses toward the less affecting ones (Price and Promotion) reveals that they need to be more adapted, as consumers were strongly agreed about *foreign companies could charge Libyan consumers lower price and still be profitable* and *advertising does not consider the society's values.* As there are some external and internal influences on such consumer's evaluation, the analysis went further into consumer's internal factors. The consumer's preferences of Signal of Quality, Ethno-national Identity and Culture Openness showed a significant relative importance as a construct using their indicators (items) (see Table 7.35, Chapter 7).

Further, the interrelationships between the behavioural aspects and some individual characteristics were examined (see Section 7.6, Chapter 7). Generally, the level of education, work, international exposure and disposable income have significant effects on behavioural aspects. Moreover, using Chi-square and SEM/CFA, these aspects and characteristics were examined. The individual characteristics do not produce a significant impact on the consumer's response toward the four Ps (lighted-arrow). In the behavioural aspects, three consumer's preferences have significant casual relationship with the consumer's response toward marketing programme. They are Ethno-national

Identity with consumer's response to Promotion and, Signal of Quality and Openness to Foreign Culture with consumer's response to Distribution (dashed-arrow).

The top dashed-arrow point in the consumer's response represents a considerable effect of *only* the cross-mix degree of standardisation on this response, as cross-tabulation (see Table 7.14, Chapter.7) exhibited insignificant relationship between the consumers' responses and the standardisation degree of the marketing mix components individually.

Overall, in order to answer the fourth research question, the key findings from Table 8.38 and Figure.8.14 are present briefly in three dimensions followed by concluding impression as follows:

- **The actual foreign marketing in Libyan home appliances market**

In general, the marketing programmes of the studied foreign companies showed a tendency towards the standardisation perspective. They fell into different degrees of standardisation/adaptation. However, only the distribution channel was highly adapted in all companies' programmes. Only Company C conducts much adapted marketing activities through its agent, as its programme does not include any Standardised activity. This company showed superiority over the other three companies in terms of marketing influence on consumer and consumers' preferences. Mode-of-entry and product features play a critical role (as motivations) in the degree of standardisation. But, the level of competition and headquarter-subsidiary relationships were not confirmed as influences on the standardisation decision.

- **The interrelationships between internal influences of Libyan consumer**

Based on the literature of consumer research (Dawar *et al.,* 1996, 1997; Gaski, 2008), specific behavioural aspects and some individual characteristics were selected to study. Libyan consumers revealed various behavioural aspects; they were significantly influenced by some of their individual characteristics, which are: education, work, international exposure and disposable income.

- **The influence of foreign marketing programmes on Libyan consumer**

Using measures of attitudes, sentiment, and consumer evaluation toward marketing (Gaski and Etzel, 1986; Dawar *et al.,* 1996; Gaski and Etzel, 2005; Gaski, 2008), the influence of marketing programmes which reflected via four Ps (Viswanathan and

Dickson, 2007), on buying consumer behaviour was investigated. Product decisions and distribution channels have an influence on consumer buying behaviour, whereas the promotion and pricing have not. However, the foreign marketing programmes in Libya consequently produced the highest level of purchase intention on *just* 22% of the sample. Also, consumers reported that they purchased home appliances from the companies under research's brands as percentages show in Figure.8.14. There is not a significant relationship between the marketing influence and the degree of standardisation in the four Ps individually, but there is in the degree of the four Ps as a whole. The consumer's response toward four Ps, generally, is not influenced by individual characteristics. Further, the some behavioural aspects have causal effect on the consumers' responses toward the four Ps.

8.4. Concluding Impression

From the research findings above, a concluding impression emerges. The observed pattern of results suggests that the marketers attempting to target Libyan market would do well to focus on the elements of their marketing programmes, which showed the highest influence, and linkable with Libyan consumers' behaviour. In this instance, Libyan consumers showed a considerable satisfaction towards foreign home appliances' features and quality in general, which was the reason beyond the moderate influence of product decision. Also, they mostly use the brand name as a signal of quality (see Table 7.23, Chapter 7).

Here, an opportunity has appeared to foreign marketers toward more support for their brand image in the consumer's mind. Further, the foreign companies could make more effort to improve their sales power in Libyan market, as Libyan consumer revealed positive responses towards salespersons, tendency to consider their advices and reliance to use personal contacts (salespeople, friends). By contrast, although the foreign advertising has a moderate influence in motivating buying behaviour (see Table 7.29, Chapter 7), using advertising-oriented marketing programme in Libya seems dangerous for the foreign companies. The foreign companies must act with caution, as the commercials were the lowest information source that Libyan consumers rely on (see Table 7.19, Chapter 7). Also, consumers revealed that the current foreign advertising in Libyan market does not consider the values of Libyan society, which contributed to the low influence of the foreign promotion activities (see Table 7.13, Chapter 7). In this context, Souiden (2000) has raised the importance of culture sensitivities in the Arab

World which should be considered in any advertising activity (e.g., nudity and vulgar words should be banned).

In the following, and ultimate chapter, the major conclusions from the research problem are underlined. Also, the implications of this research are followed by directions for further research and recommendations for doing research in an Arabic context.

9. CHAPTER 9: CONCLUSION

> *The possibility of applying a standardised marketing programme among less developed countries is not investigated yet (Souiden, 2000: 69)*

9.1. Concluding Remarks

In the marketing literature (e.g., Kotler, 2003; Jobber, 2007; Peter, and Olson, 2008), it has been suggested that marketers must understand cultural differences in order to develop their marketing programmes across borders. Conversely, it is also argued that individuals of our day have become a more consuming culture, rather than belonging to any one culture (Firat, 1995; Tunc, 2009) and, therefore, defining groups, in different countries, can be targeted in a similar way (Levitt, 1983; Jain, 1989; Lindridge and Dibb, 2003; Peter and Olson, 2008). This stresses the importance of cross-countries marketing programme research for practical and academic alike (Soares, 2004; Siraliova and Angelis 2006; Viswanathan and Dickson, 2007).

The general idea of this thesis was triggered by Levitt's tipping-point article for the emergence of global markets (Levitt, 1983; Kotler *et al.,* 2010), which has encouraged many researchers to investigate this issue within the context of marketing management (e.g., Jain, 1989; Schuh, 2000; Theodosiou, and Katsikeas, 2001) and consumer research (e.g., Dawar *et al.,* 1994, 1996, 1997; Vida and Dmtrovic, 2001; Soares, 2004). Through using, besides the constructs of these research, some measures and design of another consumer research (e.g., Gaski and Etzel, 1986; Lundstrom *et al.,* 1998; Luna and Gupta, 2001; Gaski, 2008), this thesis can be considered as a further stride in this journey.

The current research sought the extent to which Levitt's idea toward convergent consumers across the world can be applicable in the context of North African/Arab World countries. To obtain this, the research investigated the foreign marketing practices from three different country-of-origins (Holland, Japan and Korea) in one particular country (Libya) and its influence on consumer buying behaviour in this country. In this context, the current research adopted a slightly different approach than the previous empirical research; which focused on comparative, country-versus-country analysis (e.g. Dawar *et al.,* 1997; Soares, 2004).

Through answering research questions (see Section 1.2, Chapter 1), the research determined the standardisation/adaptation degree of the foreign marketing in Libya, identified the response of Libyan consumers towards this marketing and the key cultural and/or individual factors that should be taken as significant variables in the foreign marketing for these consumers. Accordingly, the present research does not aim, *in the first phase*, to evaluate the cross-countries marketing strategies of the foreign companies and, *in the second one*, to explain the consumer behaviour in the subsidiaries markets. Rather, (1) it established the actual marketing practice and developed an index of adaptation, and (2) focuses on specific factors and determines their statistical effect on specific buying behaviour characteristics.

However, this thesis provides insight into a concurrently emerging and growing Arab market which has received relatively little attention from researchers (Souiden, 2000), via knowing *how* suppliers presently interpret the need for adaptation in this part of the world, and *how* consumers react to their decisions. It may be stated that the understanding of consumer characteristics within the regional context (Arab/Islam) is the key consideration in designing marketing programme for this part of the world. Further, the buying behaviour is a function of individual difference more than of localised adaptation variables are supported by this research, which contributes to answer the general question in global marketing research (e.g. Jain, 1989; Dawar *et al.,* 1994, 1996, 1997; Vida and Dmtrovic, 2001; Ozsomera and Simonin, 2004; Soares, 2004; Viswanathan, and Dickson, 2007) 'whether or not segmenting and designing marketing programmes on the basis of nationality is necessary for consumers across countries in a particular region (in this instance; Arab World)'.

This region consists of 22 countries, across two continents, with a combined population of approximately 358 million people, the majority of which are Muslims, using Arabic as the official language (League of Arab States, 2010). The interesting point is that the consumers in these countries are unique due to the dual effect of Arabic culture and Islamic sub-culture. On one hand, some research on consumers across Arabic speaking countries (e.g., Souiden, 2000, 2002) have implied that the culture/national boundaries are less important criteria than individual factors in designing marketing programmes in this region. Also, the shared religion and value system between these countries attract marketers to apply standardised marketing in these countries' markets (Marinov, 2007). Taking into account that the Islamic religion is a sub-culture (Kotler, 2003; Jobber,

2007; Peter, and Olson, 2008), which crosses the boundaries and, in most cases, is quite bound with Arabic culture, some research, on the other hand, has suggested that the marketers who decide to enter this market, generally, have to think in terms of cultural symbols and religiosity (Vassilikopoulou *et al.,* 2006; Rehman, 2010; Stephenson, 2010).

Therefore, with growing awareness of business in Arab/Islamic markets (Marinov, 2007), this research would encourage researchers to conduct additional empirical investigations of consumer behaviour across the Arabi World's markets. This research's findings suggest that for mainstream home appliances, segmenting on the basis of nationality is probably unnecessary. As international marketers must make decisions about many additional elements of the overall marketing programme, however, insights on the ones that have impact on the consumers in this part of the world, and their universal behavioural patterns would be highly useful. The current project might offer encouragement in this direction.

This chapter presents the research contribution to the theoretical development. Also, any managerial implications of this research are addressed. Limitations and directions for further research are presented, followed by personal reflections which are provided in the ultimate section.

9.2. Theoretical Contribution

The theoretical contribution of this research project focuses on testing the theory of consumer buying behaviour within global marketing strategies in aiming to generalise the findings throughout consumers in a certain region (North Africa/Arab) and providing insights toward more research on some less empirically investigated areas in this discipline. As this research consists of two phases in order to obtain both marketers and consumers' point of view toward marketing practices in Libya, the theoretical contributions were produced from both phases.

Mostly, the research in global marketing is conducted using a sample of consumers, who are from different nationalities and/or countries, and have similar individual characteristics, through purposive sampling (also called judgment sampling). This is because the researchers need exactly the same types of respondents from each nationality (or from each country) to ascribe, confidently, any difference in their buying

behaviour to their nationality/culture, as the type of respondent (i.e., individual characteristics), *here*, is constant variable. For example, Dawar, Parker, and Price (1994, 1996, 1997) used a purposive sample selected from the students of the international MBA programme at major European business school to obtain the same type of respondents (e.g., education, age, experience, asset wealth and international exposure) in order to ascribe any difference in their buying behaviours to the nationality variable.

This current research makes a notable theoretical contribution through adopting a reverse perspective. The researcher used a stratified random sampling to investigate the behaviour of consumers from exactly the same national context in one particular country (Libya), and explores the impact of marketing programmes that emanate from different country-of-origin global operators. Accordingly, in this present research, the national/cultural context is *constant* variable so that any difference in behavioural patterns can be, confidently, ascribed to the types of respondents (e.g., their individual characteristic). As the Arab World countries have a similar national culture (Souiden, 2002; Hofstede, 2001; League of Arab States, 2010), this perspective might facilitate the research towards more understanding of consumer behaviour in these countries. Also, it provides, via using a large random sample, generalisable findings on the selected country's population (Libya) and controls for sampling bias.

Another key theoretical contribution pertains to the criteria to measure degree of standardisation in the marketing programme. Most of previous works in this area determine the standardisation degree of marketing through asking the subsidiary to provide a view on the degree of similarity between specific programme features in, a) host and, b) parent country (e.g., Ozsomer *et al.,* 1991; Michell *et al.,* 1998; Theodosiou, and Katsikeas, 2001; Ozsomer and Simonin 2004). In the present research, a specific index was developed based on reviewing the marketing literature.

The significant contribution of the newly developed index of this current research is that it was designed to determine the actual marketing practice. In other words, subsidiaries (interviewees) were not asked to provide their view on the markets similarities like past research; instead, they were asked what they actually do in that market (Libya) in terms of the standardisation/adaptation degree. This exploratory approach might be more appropriate when there is little prior knowledge about the research field (e.g., a country

market or industry) which is the expected case to *face* in some developing countries (i.e., Libya).

The development process of the measure in this research was based on (1) the work of Ozsomer, Bodur, and Cavusgil (1991), Ozsomera and Simonin (2004) and Szymanski, Bharadwaj and Varadarajan (1993) and (2) the model of marketing management process (Kotler 1999; Dibb *et al.,* 2006) using structured interviews with major foreign home appliances suppliers (see section.6.5, Chapter.6). Utilising the global marketing literature (e.g., Jain, 1989; Solberg, 2000; Keegan and Green, 2005; Viswanathan and Dickson, 2007), a three-point scale (Standardised', 'Slightly Adapted' and 'Adapted': see Table 6.3, Chapter.6) was established. These criteria were implemented within the analysis of consumer survey (Phase II), to investigate the relationship between the adopted degrees of standardisation and its effectiveness on buying behaviour of Libyan consumers (see Table 7.14, Chapter.7).

In addition, although the degree to which international marketing programmes must be standardised or adapted has exercised academics for more than three decades now (Sandler and Shani 1992; Theodosiou and Katsikeas 2001; Viswanathan and Dickson 2007; Armstrong and Kotler 2008), the attention that have been given to the elements of marketing programme was not balanced. Some marketing programme elements such as brand (Sandler and Shani, 1992), distribution (Rosenbloom *et al.,* 1997) and pricing strategy (Theodosiou and Katsikeas, 2001) have received little attention, whereas others product and promotion, especially, have been extensively researched (Jain, 1989; Shaw and Richter, 1999). This research contributes to the existing body of research via considering all key aspects of the marketing mix from a market entrant perspective – assuming service elements to be integrated within the local, distribution, aspect of the programme (Kotler, 2005) – and is, as far as the researcher is aware (e.g., Souiden, 2000), the first to address such issues in a Libyan market context.

9.3. Managerial Implications

The global marketing issues embody a great awareness for local and international marketers alike. In order to design more effective strategies, marketers everywhere seek a deeper understanding of how consumers and markets differ across countries (Dawar *et al.,* 1996; Soares, 2004). The current research contributes to the existing knowledge on associated decision-making criteria in an emerging host market, and the consumer

buying behaviour toward the foreign marketing in one product category (home appliances), in a single Arab subsidiary market (Libya). However, based on Hofstede's (2001) definition of national culture, most Arab countries that have shared norms and values (e.g. those derived from Islam), customs (e.g. Arabic tribes), history (e.g. Islamic and Ottoman Empire) and language (Arabic), tend to have a highly convergent national culture. In this instance, Libya – with 97 % of population are Muslims, Arabic speakers and consider themselves as Arab (Metz, 1987) – can stand a proxy for this nation in terms of consumer/marketing research. Accordingly, the current research's findings also provide a point of departure for establishing the effectiveness of differing marketing programme strategies in the Arab World markets.

Taking all marketing programme's characteristics into account, Company 'C' demonstrated the highest overall level of adaptation and was distinctively different to the other three. Also, Company 'C' was the most well-established of all overseas consumer electrical suppliers in Libya and was also the only one to have a formally designated marketing department. It is unclear, of course, whether this says more about the nature of Company 'C' itself, or whether it provides evidence of necessarily divergent behaviour between new, and more mature, entrants into Libyan market. Is, for example, a broadly standardised approach perceived by newcomers as the best start-up option? And, by contrast, is a more adapted approach likely to be the best solution for sustained market longevity? On the other hand, in the case of Company 'C', it may be that the presence of a specialist function naturally gave rise to a more complex outcome or, indeed, that this had resulted in a more considered strategic approach being applied.

Generally, the results evidenced broadly consensual support for a standardised approach to the marketing of consumer electrical goods in Libya (Company 'C' excepted) and, obviously, standardised marketing programmes will more likely occur when an offering meets a universal need, or requires only minor adaptation to match consumer wants (Jain, 1989; Viswanathan and Dickson, 2007). It was interesting to note that, for all suppliers – including Company 'C' – the adopted mode of entry (Local Agency) is that which involves the lowest level of direct local involvement. This implies a consensus for a relatively 'arms-length' approach to emerging and/or uncertain markets and, it can be concluded that, this approach provides an appropriate balance of independence and access to local resource (Quer *et al.,* 2007) with the potential, if required, for leaving the market with minimal financial and administrative disruption.

On the basis of empirical evidence, the results suggest that for mainstream home appliances, at least, segmenting on the basis of nationality is probably unnecessary. Rather, it is possible to use the same marketing programme across countries, if they are targeting a similar type of consumer. Further, as Libyan consumers are culturally similar to those in other parts of the Arab World (Hofstede, 2001), a standardised approach would likely be successful across the Arab world, with continuing perceptions of Arab insularity perhaps misplaced (Souiden, 2002). Faced with the effectiveness of globally efficient marketing programmes from the likes of Japan, Korea and Holland, local manufacturers in Libya and also others in the Arab World, would need to work especially hard to succeed and may need to identify specific niche segments where a culturally-specific appeal might be more relevant.

9.4. Limitations and Further Research Directions

Growing evidence of converging/homogeneous international demand implies that marketing standardisation may be both attractive *and* feasible (Dawar *et al.,* 1996, 1997; Keegan and Green, 2005; Viswanathan and Dickson, 2007; Armstrong and Kotler, 2008). This is likely to be a function of both market and offering and, perhaps, just as importantly, of how manufacturer/local agency relationships are managed (Jain, 1989; Solberg, 2000). Therefore, the need appears here to know more about the effectiveness of observed marketing decisions and how the likelihood of success of these decisions might be maximised.

As mentioned before, this research consists of two phases, with the first exploring the impact of foreign marketing programmes on an increasingly relevant market and the second reporting on consumer reactions to these marketing programmes and on the extent to which observed standardisation/adaptation decisions impact these reactions. It would be interesting to know more, for example, about how manufacturers both rationalise and support, operationally, the marketing programme decisions they make, and to study – in more detail, and in different product categories – the attitudes and opinions of local agents. In circumstances where companies make conscious decisions to place substantial reliance on local partners there is a need, on both sides of the manufacturer/agent dyad, for good understanding.

Subsidiary managers need to better understand their own role and how they can maximise and exploit local customer and market knowledge on their partner's behalf.

Similarly, manufacturers need to understand how they might better support and foster relationships with local subsidiary managers. The focus on international marketing to date has concerned the extent to which overseas suppliers understand and recognise how local culture affects consumers; but in a global market environment where international uncertainty and an increased potential for product standardisation coincide, developing a better cultural understanding of local business managers will be equally as relevant.

There are clearly limitations to this research. The relatively small number of overseas manufacturers available for study means data volume is necessarily constrained, whilst the used purposefully systematic approach to data collection limits the richness of the research output. However, it provides a useful initial insight into overseas market-entrant behaviour in Libya. Further, though focused on one specific product category, and on one particular interpretation of how 'marketing programme' might be defined, this study provides a useful point of departure for further work in an increasingly important context.

Also, the limitation of this research includes selecting one category of products (home appliances), and using the key marketing practices (4P's) to determine their influence on buying behaviour. Replications of this research with additional product categories would be worthwhile. Further research could be, also, extended to investigate the whole marketing operations of these companies through an integrated strategic evaluation process.

9.5. Personal Reflections: *Recommendations for Doing Research in an Arab context*

As this current project was conducted on consumers in one particular country (Libya) and explores the impact of marketing programmes that emanate from different country-of-origin global operators, it is a good opportunity for me to provide some reflections on doing research within this discipline (marketing programme and consumer behaviour) in such context (North African/Arab). So, in this section, I share my experience and the knowledge that I learned from this research journey with my fellow travellers.

Through browsing the marketing literature, it can be seen that the research which investigates issues in non-English/European contexts, though limited, was conducted

chiefly by researchers who are from the host countries (e.g., Michell *et al.,* 1998; Alashban *et al.,* 2002; Souiden, 2002; Jamal *et al.,* 2006; Ozsomera and Simonin, 2004). Clearly, a native researcher better understands his/her own national context. However, it can be debated that the differences between the English/European and other international contexts (e.g., culture, language and business climate) embodies a substantial barrier for English/European researchers to penetrate such international research, specially when this foreign context is, arguably, misunderstood in the world today (i.e., Arab/Islamic context).

As a result of studying my PhD programme in UK, using literature written in the English language and conducting the fieldwork study in an Arab context (Libyan consumers and Libyan marketing managers), I understood the key differences that might embody barriers to do an empirical research in Arab context using Libya as a proxy. This enables me to provide some recommendations relating to research instruments design and data collection. Clearly, these tasks are considered as a critical stage of research, as any mistake in them could affect the research conclusion.

The first difficulty was due to using two completely different languages in researching instruments design; Arabic and English (e.g., different alphabets, writing system and direction and sentence structure). In facing such a problem, although with using back-translation method, researchers have to be watchful toward some words' meanings and sequences of the questionnaire items. This is because of the huge difference between the two languages and the way that they are applied in social settings (e.g., low-context/high-context culture; Hall, 1990). Also, in most Arabic countries, participants prefer to answer closed-end questions, which are, in some cases, inappropriate for some types of research methodology (e.g., grounded theory). As mentioned earlier, the research instruments (questionnaire and interview schedule) were originally prepared in English and then translated, carefully, to Arabic (the national language). In order to avoid language risky mistakes, I adopted the experts' review to validate both versions of the research instruments. My research measures and instruments were reviewed by six academic experts in marketing (3 native Arabic from Libya, and 3 native English from UK and USA). The three native Arabic experts reviewed the questionnaire and interview's questions in both languages, because their second language is English.

Generally, the secondary sources of information on a macro level are available in most Arabic countries. But, in the countries that suffer from a lack of reliable information, a researcher should depend on the primary data that he/she collects (Tuncalp, 1988; Tuncalp and Erdem 1999). Also, even to get secondary data, a researcher needs a good personal network. In my research interviews, I utilised my personal and social networks to reach the marketing managers of foreign companies in Libya (LG, Philips, Sharp and Hitachi). This method (personal and social networks) ensured a warm welcome and positive reaction in answering the interview's questions.

In the questionnaire phase, the distribution of questionnaire was a challenging task in Libya. I faced two problems; first, it is difficult to draw a probabilistic sample based on the addresses in most Arabic countries, as the addresses are not provided in the official census and the other listings that can serve as sampling frames for representative sample (e.g., voter registration records and survey of attitudes) do not exist. Also, the telephone records could not be used due to cultural considerations. Second, there is no postal delivery of personal mail to homes; rather, people rely on post office boxes for the delivery of their incoming mail. In such situations, in order to achieve a probable random sample, I used the home appliances stores (the selected product category in this research) as distribution points. Again, I utilised my personal and social networks to deliver the questionnaires to the customers, or visitors, in these stores.

The problems discussed above show a research scene in the Arab World with a focus on Libya. My given recommendations about these problems, unfortunately, are not the *ideal* way to resolve them, but they are outcomes of diligent and objective work to face such circumstances. I hope that my experience will contribute to the knowledge available in the Arab World and provide invaluable insights for the researchers who plan to conduct empirical research on this region to facilitate such difficulties and unexpected problems.

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Appendix.1

A. Questionnaire (English version)

NOTTINGHAM TRENT UNIVERSITY

A questionnaire of the PhD research under the title of

The Effect of Marketing Programmes on Buying Behaviour of Libyan Consumers

Marketers must decide on the degree to which they will adapt their marketing programme to meet the unique cultures in various markets. On one hand, they want to standardise their offering in order to simplify operations and take advantage of cost economics. On the other hand, adapting marketing efforts within each country results in programmes that better satisfy the needs of local consumers. The question of whether to adapt or standardise the marketing programme across international markets has created a lively debate in recent years.

I am carrying out a survey in order to study this question. This research is being conducted simultaneously in three Libyan cities which are: Benghazi, Tripoli and Sabha. It is a study designed to contribute to the understanding of how Libyan consumers are influenced by foreign marketing programmes. The home appliances products have been chosen to illustrate this influence.

I ask for your help by answering the enclosed questionnaire. I depend on your answers! The survey is easy and it will only take you about 15 minutes to complete. The questionnaire is confidential and data will be treated on the mass level only. There are no right or wrong answers! Please answer all questions in a way that best describes your behaviour.

I inform you that your participation is voluntary, and you are free to reject or withdraw at any time without giving any reasons and with no implications for your legal rights. In the case of withdrawing, your collected date will not be used.
Many thanks in advance for your contribution!

_____

Izzudin Busnaina
Nottingham Trent University

Part I - A few things about yourself

1.Are you

Male ☐   Female ☐

2.Your age

(18-27 years) ☐   (28-37 years) ☐   (38-47 years) ☐   (48-57 years) ☐

(58-67 years) ☐   (68 years and above) ☐

3.Your marital status

Single ☐   Married ☐   Divorced ☐   Widowed ☐

4.Your mother's nationality

Libyan ☐   Arabic ☐   Foreign (Not Arabic) ☐

5. The language(s) that you speak (except Arabic)

None ☐   English ☐   French ☐   Italian ☐   Other please specify………

6. How many countries that you visited (except Arab World Countries)

Non ☐   One country ☐   Two countries ☐   More than two countries ☐

7. Your level of education

Just read and write ☐ Primary school ☐   High School or equivalent ☐

Graduated from university or equivalent ☐ Postgraduate degree ☐

8. Your work: ………………………………………….

9. Do you own …One car ☐   Two cars ☐   More than two cars ☐ No car ☐

10. Do you own … One house ☐   Two houses ☐ More than two houses ☐

No houses ☐

11. Could you please estimate the quantity of home appliances products that you bought in the last year? Please write the number in the boxes.

Air-conditioners ☐   Televisions ☐   Refrigerators ☐

12. Could you please estimate the cost of your home appliances above purchasing as a percentage of your monthly income? Approximately ………….. %

Part II – The *foreign* marketing programme of home appliances in Libyan market

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IMPORTANT

The questions of this questionnaire regarding *only* the foreign marketing activities in Libyan market for **the air-conditioners, televisions and refrigerators**

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13. Did you buy a home appliance product in the last 5 years? Yes ☐ No ☐

If you answered with "Yes", please write the brand name of your purchase: …………………...
If you answered with "No", please write the brand name that you intend to buy: ……………….

14. How do you consider advertisements

Pleasant ☐ Unpleasant ☐ Exciting ☐ Unexciting ☐ other: ……….

15. I often rely on messages in Commercials ☐ Salesperson ☐ Media ☐
Personal Friends ☐ **when purchasing home appliances.**

16. How likely are you to buy home appliances products …. In about the next 6 months?

Definitely will ☐ Probably will ☐ Not sure one way or the other ☐ Probably will not ☐ Definitely will not ☐

17. I believe that appliances made in the following countries show a very high degree of technological innovation … USA ☐ Japan ☐ South Korea ☐ Netherlands ☐ Italy ☐ Other …………….

18. I prefer to buy the appliances made in these countries … USA ☐ Japan ☐ South Korea ☐ Netherlands ☐ Italy ☐ Other …………….

19. I believe that appliances made in the following countries are prestigious …
USA ☐ Japan ☐ South Korea ☐ Netherlands ☐ Italy ☐ Other …………….

20. Please rank from the choices below, the *three* most important things that you consider in your home appliances purchasing (please opt three only):

The safety in using that product provides ☐ I depend on the salesman's advice ☐
I search for the best price for me ☐ I search for a certain brand name ☐

269

I search for the latest product ☐   I search for a certain country of origin ☐

Answer the following bearing in mind your purchase of home appliances. Please use the scale and tick (✓) the box that best describes your buying behaviour.

Items \ Scale	Strongly agree	Agree	Neither	Disagree	Strongly disagree
21. Most advertising provides me with essential information about the home appliances that I intend to buy.					
22. Most advertising is very annoying.					
23. Most advertising makes false claims.					
24. If most advertising was eliminated, consumers would be better off.					
25. I enjoy most ads.					
26. Most advertising attracts my attention					
27. Sales promotion campaigns (e.g. gifts and "50% off when you buy more than one") usually arouse my need to buy.					
28. Advertising should be more closely regulated.					
29. Most advertising does not consider society's values.					
30. The information received from manufacturers is helpful for the decision that they have to make.					
31. The information received from manufacturers is not helpful for the decision that they have to make.					
32. The quality of products I bought has consistently improved over the years.					
33. The instructions on the pack are meaningful for me.					
34. The message on the pack is credible.					
35. In general I use Brand name as a signal of quality for purchasing home appliances					
36. In general I use Price as a signal of quality for purchasing home appliances					

Scale / Items	Strongly agree	Agree	Neither	Disagree	Strongly disagree
37. In general I use the physical appearance as a signal of quality for purchasing home appliances					
38. In general I use the retailer reputation as a signal of quality for purchasing home appliances					
39. The product I bought has a good guarantee					
40. When I see products in store, advertising images appear in my mind.					
41. There are products I do not plan to buy until I read or watch advertisement about them.					
42. When I buy products, I have usually read or watched advertisements about them before.					
43. I choose a store according to the information gathered during previous purchasing.					
44. I prefer to buy from the store that I know before.					
45. In my purchase decision, the choosing of the store is less important than the brand (or product)					
46. In shopping, I prefer to go shop around to find different offers from different sellers.					
47. Most retail stores serve their customers well.					
48. I am not satisfied with retailers treat me in my shopping					
49. I find most retail salespeople to be very helpful.					
50. Most retail stores provide an adequate selection of products.					
51. In general, most middlemen make excessive profits.					
52. The assistance in a store is usually not as I expect.					
53. Most retailers provide adequate service.					
54. If I intend to buy a certain home appliance, advice from my friend could change my purchase decision.					
55. If I intend to buy a certain home appliance, advice from one of my family could change my purchase decision.					
56. If I intend to buy a certain home appliance, a salesperson in the store could change my purchase decision.					
57. Most products I buy are overpriced					

Items \ Scale	Strongly agree	Agree	Neither	Disagree	Strongly disagree
58. Companies could charge lower price and still be profitable					
59. Most prices reflect reasonably the production costs					
60. Competition between companies keeps prices reasonable.					
61. The changing in home appliances' prices is unjustified.					
62. Most pricing decisions consider the circumstances of Libyan consumer					
63. The levels of prices that companies offer do not match the Libyan consumer's income.					
64. The purchase of an unfamiliar product will lead to a financial loss.					
65. The purchase of an unfamiliar product would not meet your expectations based on the amount of money required to pay for it.					
66. An unfamiliar product would function poorly.					
67. An unfamiliar product would not meet your needs and desires very well.					
68. An unfamiliar product would not be safe or would be harmful.					
69. The purchase of an unfamiliar product will make others think less highly of you					
70. The companies that make products that I buy do not care enough about how well they perform.					
71. I am satisfied with the maintenance and repairing services that home appliances companies offer.					
72. I am satisfied with the installation services that home appliances companies offer.					
73. In most cases, the quality of products I buy was as I expected.					
74. I am satisfied with most of the products I buy.					
75. Most foreign companies operate on the philosophy that the consumer is always right.					
76. Despite what is frequently said "let the buyer beware" is the guiding philosophy of most foreign companies.					

Items \ Scale	Strongly agree	Agree	Neither	Disagree	Strongly disagree
77. Most foreign companies seldom shirk their responsibility to the consumer.					
78. Most foreign companies are more interested in making profits than in serving consumers.					
79. The government have to impose some restrictions on the marketing activities of the foreign companies in Libya.					
80. It is wrongdoing, if I prefer to buy foreign products over domestic products					
81. the trading or purchasing of goods from other countries should be only conducted in the necessary conditions					
82. Buying foreign products hurts our economy and countrymen					
83. I like to keep up with international affairs					
84. I am interested in foreign cultures					
85. I enjoy foreign films and TV pro grams					
86. I make special effort to meet foreigners					

I am pleased to send the abstract of this research to you, if you provide me with your emails address.

Email address (optional): ……………… @ …………………

THE END

Thank you very much for taking the time to complete this questionnaire!

B. Questionnaire (Arabic version)

استبيان لبحث دكتوراه بعنوان:

أثر البرامج التسويقية على السلوك الشرائي للمستهلكين الليبيين

فكرة عامة عن البحث

يتعين على المسوقين أن يقرروا إلى أي حد سيكيفون برامجهم التسويقية لتلبية متطلبات خصوصية الثقافات في الأسواق المختلفة. فمن جهة ، يريدون تنميط عروضهم لأجل سهولة إدارتها و تحقيق مزايا اقتصاديات الحجم. ومن جهة أخرى، فإن تكييف العروض التسويقية لكل سوق دولة على حده يُمكِّنُ من تصميم برامج تسويقية قادرة على تلبية حاجات المستهلكين المحليين. إن التساؤل حول كفاءة استراتيجية التكييف و التنميط للبرامج اتسويقية عبر الأسواق الدولية، قد أثار جدلاً مثيراً للاهتمام في السنوات الأخيرة.

أنا أقوم بهذا البحث لدراسة هذا التساؤل. هذا البحث يجري في بنغازي وطرابلس وسبها في ذات الوقت. هذه الدراسة صممت لتساهم في فهم مدى تأثر المستهلكين الليبيين بالبرامج التسويقية الأجنبية. وقد تمّ اختيار مجموعة سلع المواد المنزلية لتكون مثالاً للتطبيق في هذا البحث.

أحتاج لمساعدتك بالإجابة عن أسئلة الاستبيان المرفق. واعلم أنني في حاجة ماسّة لهذه الإجابات وأعتمد عليها في نجاح هذا البحث! الاستبيان سهل و لن يأخذ من وقتك إلا قرابة الخمسة عشر دقيقة لإكماله. البيانات التي ستزودنا بها ستكون طي السرية ولن يتم استخدامها إلا لأغراض هذا البحث. لاحظ أنهُ ... لاتوجد إجابات صحيحة وأخرى خاطئة في هذا الاستبيان. ما عليك فقط إلا أن تجيب بما تراه معبراً عن سلوكك الشرائي.

أود أن أُؤكد لك ... بأن ملؤك لهذا الاستبيان هو تطوع منك للمساعدة ، لذلك لك مطلق الحرية في رفض المشاركة أو الانسحاب والعدول عن تكملة الاجابة عن الاستبيان بدون أن تكون مجبراً لإبداء أي سبب ... فهو حقك. وفي حالة عدم استكمالك لاجابة أسئلة الاستبيان؛ فإن إجاباتك التي تحصلنا عليها سوف لن تُستخدم مطلقاً في هذه الدراسة.

شكراً على حُسن تعاونكم .

_____

عزالدين علي بوسنينه
كلية الأعمال – قسم التسويق
جامعة نوتنجهام ترنت
المملكة المتحدة
البريد الالكتروني: Izzudin.busnaina@ntu.ac.uk

أولاً : بعض البيانات شخصية

1) العمر

(47 – 38) سنة ☐   (37 – 28) سنة ☐   (18 - 27) سنة ☐

(68 سنة فأكثر) ☐   (67 – 58) سنة ☐   (57 – 48) سنة ☐

2) الجنس

ذكر ☐   أنثى ☐

3) الحالة الاجتماعية

أعزب ☐   متزوج ☐   مطلق ☐   أرمل ☐

4) جنسية الأُم

ليبيـــة ☐   عربيـــة ☐   أجنبيـــة ☐

5) اللغة التي تُجيدها (غير اللغة العربية)

لا يوجد ☐   الإنجليزية ☐   الفرنسية ☐   الإيطالية ☐   أخرى . أُذكــرها _____

6) عدد الدول التي قمت بزيارتها (غير الدول العربية)

لا يوجد ☐   دولة واحدة ☐   دولتان ☐   أكثر من دولتين ☐

7) المستوى التعليمي

أُجيدُ القراءة و الكتابة فقط ☐   الشهادة الابتدائية ☐

شهادة التعليم المتوسط أو ما يعادلها ☐   الشهادة الجامعية أو ما يعادلها ☐   مستوى أعلى من الشهادة الجامعية ☐

8) تحديد المهنة : _____

9) هل لديك ...   سيارة واحدة ☐   سيارتان ☐   أكثر من سيارتين ☐   ليس لدي سيارة ☐

10) هل لديك...   منزل واحد ☐   منزلان ☐   أكثر من منزلين ☐   ليس لدي منزل ☐

11) كم تُقدر (تقريباً) عدد السلع التي اشتريتهــا من المواد المنزلية أدنــاه خلال السنةِ المــاضية؟ الرجاء كتابة العدد في المربع المقابل لكل سلعة.

المكيفات ☐   التلفزيونات ☐   الثلاجات ☐

12) كم تُقدر (تقريباً) تكلفة شرائك للمواد المنزلية (المكيفات،التلفزيونات، الثلاجات) كنسبة مئوية من دخلك الشهري .... %

ثانياً : بيانات عن الأنشطة التسويقية الأجنبية (غير المحلية) في السوق الليبية لسلع المواد المنزلية

> **ملاحظة هامة: أسئلة هذا الاستبيان تتعلق فقط بالأنشطة التسويقية الأجنبية (غير المحلية) في السوق الليبية لسلع: المكيفات،التلفزيونات، الثلاجات.**

ضع علامة (✔) في المربع بجانب العبارات التالية؛ بمايتفق معك

13) هل سبق وأن قمت بشراء سلعة مواد منزلية (**تلفزيون، مكيف، ثلاجة**) خلال الخمس سنوات الماضية؟ نعم ☐ لا ☐

في حالة الإجابة بنعم، الرجاء أكتب أسم العلامة التجارية: ....

في حالة الإجابة بلا، ما هو أسم العلامة التجارية التي ترغب في شرائها: ....

14) هل تعتبر الإعلانات عن سلع المواد المنزلية في ليبيا   لطيفة ☐   مزعجة ☐   ممتعة ☐   مملة ☐   أخرى

تذكر: ....

15) عند شرائي للمواد المنزلية ، غالباً ما أثقُ بالمعلومات التي أتحصل عليها من ...

الدعايات ☐   البائعون ☐   وسائل الإعلام ☐   الأصدقاء ☐

16) هل تنوي شراء سلعة مواد منزلية (تلفزيون، مكيف، ثلاجة) خلال الفترة القادمة ... (حوالي 6 أشهر)

بالتأكيد أنوي الشراء ☐   من المحتمل أن أقوم بالشراء ☐   لا أدري ☐

في الغالب لن أقوم بالشراء ☐   لا أنوي الشراء مطلقاً ☐

17) أعتقد بأن المواد المنزلية من الدول التالية تعكس مستوى عالي من التقنية

أمريكا ☐   اليابان ☐   كوريا الجنوبية ☐   هولند ☐   إيطاليا ☐   دول أخرى،

تُذكر : ....

18) بشكل عام، أفضل المواد المنزلية من ...

أمريكا ☐   اليابان ☐   كوريا الجنوبية ☐   هولند ☐   إيطاليا ☐   دول أخرى،

تُذكر : ....

19) ينظر الناس لمن يشتري المواد المنزلية من الدول التالية على أنه من طبقة اجتماعية راقية

أمريكا ☐   اليابان ☐   كوريا الجنوبية ☐   هولند ☐   إيطاليا ☐   دول أخرى،

تُذكر : ....

20) رتب بحسب ما تراه ، أكثر ثلاث نقاط أهمية عند شرائك للمواد المنزلية (*الرجاء اختيار 3 فقط*):

درجة الآمان التي توفرها السلعة عند استخدامها ☐   أعتمد على رأي البائع في اختياري ☐   أبحث عن أفضل سعر بالنسبة لي ☐

أقوم باختيار علامة تجارية معينة ☐   أبحث عن الأحدث في الصنع ☐

أهتم بالبحث عن بلد الصنع ☐

ضع علامة (✔) في المربع بجانب العبارات التالية؛ بمايتفق مع سلوكك الشرائي

لاأوافق مطلقاً	لا أوافق	لا أدري	أوافق	أوافق تماماً	العبـــــارات
					معظم الإعلانات تزود المستهلكين بمعلومات هامة
					معظم الإعلانات مزعجة
					معظم الإعلانات تحتوي على إدعاءات كاذبة
					لو اختفت معظم الإعلانات؛ لارتاح المستهلك
					أنا استمتع بمعظم الإعلانات
					معظم الإعلانات تجذب انتباهي
					معظم الحملات الترويجية — مثل عروض الخصم عند شراء أكثر من سلعة — تستميلني للشراء
					النشاط الإعلاني يحتاج إلي تنظيم ورقابة
					معظم الإعلانات لا تراعي قيم المجتمع
					المعلومات التي أتحصل عليها من المنتج (المحل) ليست مفيدة
					المعلومات التي أتحصل عليها من المنتج (المحل) مفيدة
					ألاحظ تطوراً مستمراً في جودة السلع التي أشتريها
					التعليمات التي على أغلفة السلع مفيدة جداً بالنسبة لي

لاأوافق مطلقاً	لا أوافق	لا أدري	أوافق	أوافق تماماً	العبـــــارات
					المعلومات الموجودة على أغلفة السلع التي اشتريتها صادقة
					عادةً ما استدل على جودة السلع التي أشتريها من اسم العلامة (الماركة)
					عادةً ما استدل على جودة السلع التي أشتريها من سعرها
					عادةً ما استدل على جودة السلع التي أشتريها من المظهر الخارجي لها
					عادةً ما استدل على جودة السلع التي أشتريها سمعة المحل الذي يبيعها
					السلع التي أشتريها لها ضمانات جيدة
					عند رؤيتي للسلع غالباً ما تحضر في ذهني تلك الإعلانات التي شاهدتها عنها
					هناك بعض السلع لم أُفكر في شرائها إلا بعد مشاهدة أو قراءة الإعلان عنها
					معظم السلع التي اشتريها شاهدتُ أو قرأت إعلانات عنها قبل شرائها
					أختار المحل الذي أنوي الشراء منهُ بناءً على معلوماتي من مشترياتي السابقة
					أفضل الشراء من محل أعرفهُ من قبل
					عند قيامي بالشراء، اختيار المحل أقل أهمية من اختيار العلامة التجارية (أو السلعة)
					عند قيامي بالتسوق أحاول البحث عن محلات و عروض مختلفة
					معظم المحلات تخدم الزبائن بشكل جيد
					أجد عملية التسوق مزعجة بسبب معاملة البائعين
					معظم البائعين يرغبون كثيراً في تقديم المساعدة
					معظم المحلات تقدم تشكيلة كافية من السلع
					بشكل عام ، يحقق الوسطاء في تجارة المواد المنزلية أرباحاً كبيرة
					عندما أحتاج إلى المساعدة في المحل، غالباً لا أجد من يقدمها لي
					معظم المحلات يقدمون خدمات مُرضية
					عندما أنوي شراء سلعة، نصيحة من أحد أصدقائي يمكن أن تغير قراري بالشراء
					عندما أنوي شراء سلعة، نصيحة من أحد أفراد أسرتي يمكن أن تغير قراري بالشراء
					عندما أنوي شراء سلعة، تصرف ما من البائع في المحل يمكن أن تغير قراري بالشراء
					أسعار السلع التي أشتريها مبالغٌ فيها
					يمكن للشركات أن تخفض أسعارها مع الحفاظ على مستوى ملائم لربحيتها
					مستوى أسعار السلع التي أشتريها معقولة بالنظر لتكاليف تصنيعها
					المنافسة بين الشركات تحافظ على مستوى معقول من الأسعار بالنسبة للمستهلكين
					التغيير في الأسعار الذي تقوم به الشركات غير مُبرر
					معظم الأسعار عادلة
					الخصم على الأسعار التي تعرضه الشركات غير مناسب
					شراء سلع ذات علامات غير معروفة يؤدي إلى خسائر مالية
					السلع ذات العلامات غير المعروفة لا تستحق ثمنها
					السلع ذات العلامات غير المعروفة أداؤها سيء

لاأوافق مطلقاً	لا أوافق	لا أدري	أوافق	أوافق تماماً	العبــــارات
					السلع ذات العلامات غير المعروفة لا تلبي الحاجات والرغبات جيداً
					السلع ذات العلامات غير المعروفة غير آمنة (خطرة)
					شراء سلع ذات العلامات غير معروفة يقلل من نظرة الآخرين لك
					الشركات المنتجة للسلع التي أشتريها لاتهتم بشكل جيد بأداء سلعها من الناحية العملية
					الشركات توفر خدمات جيدة للصيانة و التصليح
					الشركات توفر خدمات تركيب بجانية
					جودة السلع التي اشتريها كانت جيدة كما توقعتها
					أنا راض عن معظم السلع التي اشتريها
					معظم الشركات الأجنبية تعمل بفلسفة "الزبون دائماً على حق"
					معظم الشركات الأجنبية تعمل بفلسفة "المستهلك هو المسؤول عما يشتري"
					معظم الشركات الأجنبية نادراً ما تتجنب مسؤوليتها تجاه المستهلك
					معظم الشركات الأجنبية تهتم بالربح أكثر من اهتمامها بخدمة الزبائن
					الدولة يجب أن تفرض بعض القيود على الأنشطة التسويقية للشركات الأجنبية
					أشعر بالذنب عندما أقرر أن أشتري سلعاً أجنبية وليست محلية
					يجب أن نقلل من التجارة المتبادلة مع الدول الأجنبية إلا إذا كنا مضطرين لها
					شراء المنتجات الأجنبية يضر باقتصادنا الوطني
					أحرص على متابعة الأخبار الدولية، والأحداث الجارية في العالم
					أنا مهتم بالتعرُّف على ثقافات أجنبية
					أستمتع بمشاهدة الأفلام والبرامج التلفزيونية الأجنبية
					أسعى دائماً للتعرّف على أشخاص (أجانب) من ثقافات مختلفة

سيسعدنا أن نرسل إليك نسخة من ملخص نتائج هذا البحث حال إتمامه؛ إذا قمت بكتابة بريدك الإلكتروني.

البريد الإلكتروني (اختياري) : .... @ ....

أنتهى الاستبيان

شكــراً جزيلاً لك ، للتكرّم بوقتــك للإجــــابة عن هذا الاستبيــــــان !

Appendix.2

A. The interview questions (English version)

NOTTINGHAM TRENT UNIVERSITY

CONSENT FORM

Please read and confirm your consent to being interviewed for this project by initialling the appropriate box(es) and write your job title and dating this form. Please not that the expected duration of this interview is about 30 minutes.

1. I confirm that the purpose of the project has been explained to me, that I have been given information about it in writing, and that I have had the opportunity to ask questions about the research ☐

2.   I understand that my participation is voluntary, and that I am free to withdraw at any time without giving any reason and without any implications for my legal rights

                ☐

3.   I agree to take part in this project   ☐

_____   _____   _____

The Job title of interviewee   The Company's name   Date

_____   _____   _____

Name of researcher taking consent   Date   Signature

PROJECT:

The PhD research under the title of: The Effect of Marketing Programmes on Buying Behaviour of Libyan Consumers.

By: Izzudin Ali Busnaina, PhD student at Nottingham Business School, NTU

Email address: Izzudin.busnaina@ntu.ac.uk

1. What is your company's mode of entry to the Libyan market:

    - Branch Office

    - Joint Venture/Joint Stock Company with a local firm

    - Representative Office

    - Enter Libya under the provisions of investment law

    - Entering through Local Agency

2. In how many countries is the particular brand sold?

3. And In how many Arabic countries?

4. What are the five largest foreign markets for the brand, and the year of entry to each market?

5. What is the percentage of total sales represented by: foreign sale of the brand and foreign sales of the same product under other brand names?

6. Comparing the situation in the Libyan market and in the mother company's home market, to which extent the marketing programme for your major product (line) are similar or different in terms of :

- Product   (product physical characteristics, brand name and packaging)

- Promotion (sales promotion, product positioning, advertising theme, media allocation and advertising copy)

- Pricing policy and Distribution (customer service and role of sales force)

   The extent Scale: *Similar, homogenous, Neither, Heterozygous, Different*

7. Do you use ready-made information about Libyan consumers?

8. Do you carry out surveys or research on Libyan consumers?

9. Do you adapt discount levels according to Libyan Market?

10. Do you adapt prices according to the Libyan Market?

11. Do you adapt sales promotion campaigns according to Libyan Market?

12. Do you adapt advertising messages according to Libyan Consumers?

13. Do you adapt the flows and levels of distribution channels according to Libyan Consumers?

14. Do you adapt the system of distribution channels according to Libyan consumers?

15. Do you adapt the augmented product decisions according to the desires of Libyan consumers? Such as, delivering and credit, after-selling services, installation and warranty.

16. Do you adapt the actual product decisions according to the desires of Libyan consumers? Such as, brand name, product features, design and packing.

17. Have you been asked from the marketing department in the mother country to do tasks relating to marketing control in terms of checking performance against the annual plan, taking corrective actions when necessary and determining profitability of products in Libyan market?

18. Have you been asked from the marketing department in the mother country to look whether the company's basis strategies well matched to its opportunities in Libyan market?

19. Does your product(s) require some adaptations for entering the Libyan market?

20. Do you develop national or regional product designs and marketing programmes?

21. Do you use universal brand names, packing, colours or so on?

22. Are there strategic consensus between you (as a subsidiary) and your headquarters on key standardisation issues

23. Do you consider this leads to more effective implementation of your company's strategy?

24. What is the consideration(s) (from the choices below) that you take into account in the making of marketing decisions?

- The behaviours and marketing activities for all companies offering similar products and services to Libyan consumer at similar prices

- The behaviours and marketing activities for all companies making home appliances

- The behaviours and marketing activities for all companies manufacturing products that supply the same services.

- the behaviours and marketing activities for all companies that compete for Libyan consumer's Dinars (the currency of Libya)

B. The interview questions (Arabic version)

بحث دكتوراه بعنوان:

أثر البرامج التسويقية على السلوك الشرائي للمستهلكين الليبيين

نموذج الموافقة على المشاركة بالبحث

يُرجى قراءة العبارات أدناه و وضع إشارة (√) أمام العبارة التي تراها مناسبة؛ وذلك لتأكيد مشاركتك بالبحث والموافقة على إجراء المقابلة. كما يُرجى التكرّمُ بكتابة المسمى الوظيفي الخاص بك و تاريخ إجراء المقابلة. هذه المقابلة سوف لن تأخذ أكثر من **30** دقيقة من وقتك.

1. لقد أُحطتُ علماً بغرض هذا البحث، كما قُدمت لي معلومات كافية عن البحث كتابةً وشفاهيةً. كذلك كان لي الفرصة في طرح أي أسئلة.   (   )

2. أُدرك تماماً بأن مشاركتي تطوعية، ولي الحقُ في الانسحاب بدون أن أكون مجبراً على إبداء أي الأسباب.   (   )

3. أُوافق على المشاركة بالبحث وإجراء المقابلة.   (   )

تاريخ المقابلة	أسم الشركة		المُسمى الوظيفي
_____	_____	_____	

تاريخ المقابلة	التوقيع		إسم الباحث
_____	_____	_____	

البحث:

بحث دكتوراه بعنوان: **أثر البرامج التسويقية على السلوك الشرائي للمستهلكين الليبيين** .

مُقدّم من الطالب: عزالدين علي بوسنينه، طالب دكتوراه بجامعة نوتنجهام ترنت المملكة المتحدة. قسم التسويق كلية الأعمال .

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1. ما هي درجة تمثيلك للشركة الأم في السوق الليبية

مكتب فرعي ☐   شركة مساهمة ☐   مكتب ممثل ☐

استثمار أجنبي ☐   وكالة محلية ☐

نوع تمثيل آخرى : ....

2. في كم دولة تُباع علامتكم التجارية؟

....

3. وفي كم دولة عربية؟

....

4. ما هي الأسواق الأكبر (أكبر خمسة) لعلامتكم، ومتى دخلت العلامة لكل سوق؟

....

5. ماهي تقريباً نسبة مبيعاتكم في ليبيا مقارنة بالمنتجات المثيلة من العلامات الأخرى

السنة	النسبة %	السلعة

6. إلى أي مدى يختلف البرنامج التسويقي في السوق الليبية عنه في سوق دولة الشركة الأم لمنتجكم أو لمنتجاتكم من حيثُ ...

الخصائص المادية للمنتج (الشكل الخارجي ، المزايا)

مختلف ☐   غير متقارب ☐   غير واضح ☐   متقارب ☐   متماثل ☐

أسم العلامة

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

الغلاف

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

حملات ترويج المبيعات

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

الصورة الذهنية للمنتج (الشريحة المستهدفة مثلاً)

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

الرسالة الإعلانية

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

استخدام وسائل الإعلام

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

شكل الإعلان (الصورة ، الإخراج)

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

سياسات التسعير (طريقة تسعير المنتجات أو كيفية التسعير)

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

خدمات الزبائن

متماثل ☐   متقارب ☐   غير واضح ☐   غير متقارب ☐   مختلف ☐

7. هل تحتاج سلعكم إلي بعض التكييف لدخول السوق الليبية

....

8. هل طورت في تصميم المنتج أو البرنامج التسويقي على مستوى الدولة أو الإقليم

....

9. هل تستخدم أسم مقبول على مستوى دولي للعلامة ، أو غلاف ، أو لون ، أو ... إلخ

....

10. في حملاتكم التسويقية، هل تستخدم معلومات جاهزة عن المستهلك الليبي

....

11. هل تقوم بأبحاث أو دراسات على المستهلك الليبي

....

12. هل تغيرون في مستويات الخصم وفقاً للسوق الليبية

....

13. هل تغيرون الأسعار وفقاً للسوق الليبي

....

14. هل تكيفون حملاتكم الترويجية وفقاً للمستهلك الليبي

....

15. هل تكيفون الرسائل الإعلانية وفقاً للمستهلك الليبي

....

16. هل تكيفون قنوات التوزيع وفقاً للمستهلك الليبي

....

17. هل تكيفون استراتيجية التوزيع وفقاً للمستهلك الليبي

....

18. هل تكيفون المحتوى الإضافي للسلعة وفقاً لاحتياجات ورغبات المستهلك الليبي؟ مثل، توصيل المنتج،

خدمات مابعد البيع، التركيب الضمانات.

....

19.هل تكيفون المحتوى الفعلي للسلعة وفقاً لاحتياجات ورغبات المستهلك الليبي؟ مثل، اسم العلامة،

خصائص السلعة، التصميم، التغليف.

....

20.هل طلبت منكم إدارة التسويق في الشركة الأُم مهام تتعلق بالرقابة التسويقية كتقييم الأداء وفقاً للخطة

السنوية، اتخاذ إجراءات تصحيحية في العمل، تقييم ربحية المنتجات في السوق الليبية.

....

21.هل طلبت منكم إدارة التسويق في الشركة الأُم عملية مراجعة أو تقييم لاستراتيجية الشركة فيما إذا

كانت ملائمة للفرص المتاحة – أو المحتملة – في السوق الليبية.

....

22.هل هناك توافق في الآراء بينكم (كفرع أو وكالة أو مكتب تمثيل) وبين إدارة الشركة الأُم في أمور

تنميط الاستراتيجية التسويقية في السوق الليبي؟

....

23. برأيك، هل يساهم ذلك في تطبيق استراتيجية الشركة بشكل فعال؟

....

24.ما هي الاعتبارات (من الاعتبارات أدناه) التي تأخذها في الحسبان لدى اتخاذك للقرارات التسويقية

(سلوك الشركات التي تعرض وتبيع سلع وخدمات مشابهة لنا في نفس مستوى أسعارنا) ☐

(سلوك كل الشركات في صناعة المواد المنزلية) ☐

(سلوك كل الشركات اتي تبيع سلع تلبي نفس الحاجة) ☐

(سلوك كل الشركات التي تتنافس على نقود المستهلك الليبي) ☐

Appendix.3

The experts' review

A. The expert's profiles

Eight experts from Libya, the UK and USA were asked to fill in the evaluation form (Appendix.3.B) which reflects their review for the measurements items. The measurements and items evaluations from six of them were received (6/8). These six experts were three Westerns (1 from UK and 2 from USA) and three Libyans. Their brief profiles are detailed as follows:

- Dr Sunil Sahadev, PhD, Lecturer in Marketing Management
  University of Sheffield, UK

- Prof. Jay Mulki, Assistant Professor of Marketing
  Northeastern University, USA

- Prof. Tao (Tony) Gao, Assistant Professor, Marketing Group
  Northeastern University, USA

- Prof. Abdullah El-Hammali, Professor of Sociology
  University of Garyounis, Libya

- Prof. Abdul Salam El-Zilitni, PhD Mass Comunication
  University of Garyounis, Libya

- Mr. Abdelmonem Loheshy, MBA North Texas State University
  Manager and Business Consultant, Libya

B. The Form of the experts' review

1. A few things about yourself

Name of expert:

Qualification: _____

The current post: _____

Date of review: _____

2. The table below shows the research variables (constructs), their measurements, direction of causality and determining whether the construct is formative or reflective. Please mark them by (√ /×) in the last column according to your judgment.

Variable (Construct)	Items (measures)	Their questions numbers in the tables below	Direction of Causality	Formative/ Reflective	Evaluation Mark (√/×)
Individual characteristics	age, martial status, level of education, socioeconomic status (number of children , occupation, asset wealth, international exposure and disposable income)	Not included in the tables	From measures to construct	Formative	
Consumer buying behaviour toward marketing programmes	• Attitudes via sentiments toward Product, Price, Place and Promotion	Q1- Q38	From construct to measures	Reflective	
	• Purchase intention	Q39 – Q42			
	• Attitudes toward the companies' philosophy	Q44 – Q47			
Behavioural Aspects measures	• Reliance on producer information	Q48 & Q49	From construct to measures	Reflective	
	• Preferences	Q50 – Q58			
	• Risk taking	Q59 – Q64			
	• Response to advertising	Q65 – Q70			
	• Shopping behaviour	Q71 – Q74			

Variable (Construct)	Items (measures)	Their questions numbers in the tables below	Direction of Causality	Formative/ Reflective	Evaluation Mark (√ / ✗)
The classification of the standardisation levels of marketing programme	• The range of the adaptation for Marketing Research, Pricing, Promotion, Distribution, Product Decisions and Marketing Control	Q72 – Q83	From measures to construct	Formative	
	• The similarity/deferentially in the marketing programme elements between home country and Libya	Q84			
The potential factors in the degree of standardisation	• Product features	Q85 – Q87	From measures to construct	Formative	
	• Mode-of-entry	Q88			
	• Headquarters-subsidiary relationship	Q89			
	• Competition	Q90			

3. The following table includes the questions of the questionnaire and the interview with some normative sides which are required to be reviewed from you. Please indicate your evaluation via good or bad with each question.

*Use the scale and **write** the number that best describes your evaluation*

Very Bad	Bad	Neither	Good	Very Good
1	2	3	4	5

(**UF**= Understandability of formation) (**CQ**= The ability of items to capture the target information) (**RRA**= Representativeness for the research aim)			
Question of the Questionnaire	**UF**	**CQ**	**RRA**

C. The analysis of the experts' review

The experts' evaluation of the instruments' items showed that most of items are recommended, but some items need to be removed, changed, amended or revised. Consequently, the items fall into five levels which as follows with suggested new items for each level:

Level 1: Recommended Items

70 % from the Items were recommended – 65 items from 93 achieved a mean value over 4 in the all normative sides, note that 4= Good and 5= Very Good

Level 2: Revised Items

4 % from the Items need to be revised – 4 items achieved a mean value between 3.67 and 3.83 in terms of Understandability of formation. The following table includes these items with the suggested amendments. These items and some explanations are showed in Table 1.

Level 3: Amended Items

14 % from the Items need to be amended – 13 items achieved a mean value between 3.67 and 3.83 in terms of Catchability of questions. These items and some explanations are showed in Table 2.

Level 4: Changed Items

11 % from the Items need to be changed – 10 items achieved a mean value between 3.67 and 3.83 in terms of Representativeness for the research aim. These items and some explanations are showed in Table 3.

Table 1: Revised Items

Item No	The Items	Revised Items	Explanations
37	When I need assistance in a store, I am usually not able to get it.	The assistance in a store is usually not as I expect.	The revised item asks consumer as a general evaluation for the level of assistance, rather than putting respondent in hypothetical situation which might he/she did not expose to.
53	There should be very little trading or purchasing of goods from other countries unless out of necessity	the trading or purchasing of goods from other countries should be only conducted in the necessary conditions	The exemption phrasing with word "Unless" might drive respondent to misunderstanding. Moreover, "Should be" is moved to the middle of the sentence to avoid undesirable style.
58	In general, I like appliances made in these countries	I prefer to buy the appliances made in these countries	The words "In general" and "Like" here are not sharp. So, "Prefer to buy" provides more accuracy.
92	Does the consensus between you (as a subsidiary) and your headquarters have key standardisation issues	Are there strategic consensus between you (as a subsidiary) and your headquarters on key standardisation issues Do you consider this leads to more effective implementation of your company's strategy?	The previous item with "Does" includes assumption for the consensuses are existing. Furthermore, the item that asks about the effectiveness of marketing implementations will provide more information for the investigation of the marketing programmes.

Table 2: Amended Items

Item No	The Items	Amended Items	Explanations
1	The quality of most products I buy is as good as can be expected	In most cases, the quality of products I buy was as I expected.	The word "Good" reveals that the products' quality is good, which might mislead respondent.
9,10,11,12	In general how likely are you to personally use a brand name/ price/ the physical appearance/ the retailer reputation as a signal of quality for purchasing home appliances	In general what do you personally use as a signal of quality for purchasing home appliances from the choices below: brand name/ price/ the physical appearance/ the retailer reputation	The amended item with choices provides consumer a good chance to focus and answer more accurately. Moreover, the MCQ will make consumer avoid repeating in answering.
13	Companies provide good maintenance and fixing services for customers	I am satisfied with the maintenance and repairing services that home appliances companies offer.	For the items that start with "I am satisfied" have been highly recommended from the experts, also this term provides accurate response in terms of behaviour aspects towards the companies' offerings, it has been cited in the two amended items.
15	Companies offer free installation of products for customers	I am satisfied with the installation services that home appliances companies offer.	
20	Companies are unjustified in changing the prices they charge.	The changing in home appliances' prices is unjustified.	The adding of the adjective "Unjustified" to companies might lead respondent to answer with influence of his/her attitudes toward the companies rather the prices changes. So, in the amended item "Prices changes" is converted to passive.
24	Most advertising provides consumers with essential information	Most advertising provides me with essential information about the home appliances that I intend to buy	The word "Consumer" is replaced by pronoun "Me" to make the sentence more relative to respondent. Further, the adding "Home appliances" and "buying intention" will provide more accuracy.
29	Most sales promotion campaigns, with gifts and "50% off when you buy more than one" stimulates me to buy.	Sales promotion campaigns (e.g. gifts and "50% off when you buy more than one") usually arouse my need to buy.	The term of "Stimulate me" has a broad meaning, rather "arouse my need" reflect a stage of buying process specifically.

Continue Table 2: Amended Items

Item No	The Items	Amended Items	Explanations
33	Because of the way retailers treat me, most of my shopping is unpleasant	I am not satisfied with retailers treat me in my shopping	For the items that start with "I am satisfied" have been highly recommended from the experts, also this term provides accurate response in terms of behaviour aspects towards the companies' offerings, it has been cited in the two amended items.
52	I feel guilty if I choose to buy foreign products over domestic products	It is wrongdoing, if I prefer to buy foreign products over domestic products	The word "Guilty" might be consider as an action relating to criminal or illegal matter, whereas "Wrongdoing" just denotes to some wrong actions. Moreover, the word "Prefer" is more specific than "Choose" in buying behaviour context.

Table 3: Changed Items

Item No	The Items	Changed Items	Explanations
14	The product I buy has a good guarantee	I am satisfied with the warranty of most products I buy.	The word "Warranty" is more specific here, because "Guarantee" denotes many meanings which might lead respondent to guess the meaning.
18	Most prices are reasonable considering the high cost of doing business	Most prices reflect reasonably the production costs	"Costs of doing business" is a general term. Whereas, "Production costs" is more precise in attempt to drive respondent to focus in the comparison between the products' prices and costs.
21	Most prices are fair	Most pricing decisions consider the circumstances of Libyan consumer	The adding the circumstances of Libyan consumer will serve the research aims, for it drives respondent to answer by considering Libyan environment.
23	The level of discounts that companies offer is not suitable	The levels of prices that companies offer do not match the Libyan consumer's income.	

Continue Table 3: Changed Items

Item No	The Items	Changed Items	Explanations
48	I often rely on messages in (commercials/ salesperson/ media/ personal friends) when purchasing home appliances.	In purchasing home appliances, I often rely on: commercials/ salesperson/ personal friends	Here, it is matter of switching the word order. Starting with "Home appliances" could activate the selected category of the research in the respondent mind in answering this question.
83	Do you adapt the product packing (Potential product) according to the desires of Libyan consumers?	Do you adapt the augmented product decisions according to the desires of Libyan consumers? Such as, delivering and credit, after-selling services, installation and warranty.	For the range of Adaptation/Standardisation will be illustrated through the questions about the marketing activities, the item (83) reflects the second level of product decisions, while the item (84) reflects the first level. Similarly, regarding the marketing control, the different types of this marketing activity – Annual plan and Strategic Control – are cited in item 85 and 86 for exhibiting to which extent this activity adapted/standardised.
84	Do you adapt the product decisions (basic product) according to the desires of Libyan consumers?	Do you adapt the actual product decisions according to the desires of Libyan consumers? Such as, brand name, product features, design and packing.	
85	Do you collect feedback from the selling point about Libyan consumers to prepare suggestions for the marketing department in the mother country?	Have you been asked from the marketing department in the mother country to do tasks relating to marketing control in terms of checking performance against the annual plan, taking corrective actions when necessary and determining profitability of products in Libyan market?	

Continue Table 3: Changed Items

Item No	The Items	Changed Items	Explanations
87	Comparing the situation in the Libyan market and in the parent company's home market, how similar or different are the following marketing programme elements for your major product (line)? *Product*, *Promotion*, *Pricing policy* and *Distribution*.	Comparing the situation in the Libyan market and in the mother company's home market, to which extent the marketing programme for your major product (line) are similar or different in terms of : *Product* , *Promotion*, *Pricing policy* and *Distribution*. The extent Scale: Similar, homogenous, Neither, Heterozygous, Different	Providing extent to the interviewees might help them to answer this question accurately. Furthermore, the classification of the degree of standardisation that the research attempt to produce needs structured responses more than opened ones.

Level 5: Removed Items

5 % from the Items need to be removed – 5 items achieved a mean value between 3.67 and 3.83 in terms of Representativeness for the research aim and the other normative sides are removed, because there are other items – which are recommended – that measure the same aspects.

Table 4: Removed Items

Item No	The Removed Items
3	Products are not made as well as they used to be.
4	Too many of the products I buy are defective in some way.
22	In general, I am satisfied with the prices I paid.
55	Appliances made in the following countries are carefully produced and have fine workmanship
59	The appliances made in the following countries offer high value

The Revised, Amended and Changed Items in Arabic

The Items in Arabic	The Level	Item No
تقديم المساعدة في المحل غالباً لايكون في المستوى المتوقع	Revised	37
التجارة المتبادلة مع الدول الأجنبية يجب أن تكون فقط عند الضرورة	Revised	53
بشكل عام أُفضلُ شراء المواد المنزلية من …	Revised	58
هل هناك توافق في الآراء بينكم (كفرع أو وكالة أو مكتب تمثيل) وبين إدارة الشركة الأُم في أمور تنميط الاستراتيجية التسويقية في السوق الليبي؟ برأيك، هل يساهم ذلك في تطبيق استراتيجية الشركة بشكل فعال؟	Revised	92
في أغلب الأحيان، كانت جودة السلع التي أشتريتها كما توقعتها	Amended	1
بشكل عام، بماذا تستدل على جودة السلعة عند شرائك للمواد المنزلية من الاختيارات أدناه: اسم العلامة (الماركة)، السعر، المظهر الخارجي للسلعة، سمعة المحل	Amended	9,10,11,12
أنا راضٍ عن خدمات الصيانة والتصليح التي توفرها الشركات المنتجة للمواد المنزلية.	Amended	13
أنا راضٍ عن خدمات التركيب التي توفرها الشركات المنتجة للمواد المنزلية.	Amended	15
التغير الذي يحدث في أسعار المواد المنزلية لامبرر لهُ.	Amended	20
معظم الإعلانات تزودني بمعلومات هامة عن المواد المنزلية التي أنوي شرائها	Amended	24
معظم الحملات الترويجية — مثل عروض الخصم عند شراء أكثر من سلعة — تشجعني على الشراء.	Amended	29
أنا غيرُ راضٍ عن معاملة البائعين عند قيامي بالتسوق	Amended	33
أُحسُ بالذنب عندما أُفضلُ شراء السلع الأجنبية على السلع المحلية.	Amended	52
أنا راضٍ عن الضمانات المقدمة لمعظم سلع المواد المنزلية التي أشتريها	Changed	14
معظم الأسعار تعكس (تعبر عن) تكاليف الإنتاج لسلع المواد المنزلية بشكلٍ معقول	Changed	18
الشركات المنتجة للمواد المنزلية تأخذُ في الاعتبار ظروف المستهلك الليبي عندما تحدد أسعارها	Changed	21
مستويات الأسعار للمواد المنزلية لاتتوافق مع دخل المستهلك الليبي	Changed	23
عند شرائي للمواد المنزلية ، غالباً ما أثقُ بالمعلومات التي أتحصل عليها من … الدعايات/ البائعون/ وسائل الإعلام/ الأصدقاء	Changed	48

The Items in Arabic	The Level	Item No
هل تكيفون المحتوى الإضافي للسلعة وفقاً لاحتياجات ورغبات المستهلك الليبي؟ مثل، توصيل المنتج، خدمات مابعد البيع، التركيب الضمانات.	Changed	83
هل تكيفون المحتوى الفعلي للسلعة وفقاً لاحتياجات ورغبات المستهلك الليبي؟ مثل، اسم العلامة، خصائص السلعة، التصميم، التغليف.	Changed	84
هل طلبت منكم إدارة التسويق في الشركة الأُم مهام تتعلق بالرقابة التسويقية كتقييم الأداء وفقاً للخطة السنوية، اتخاذ إجراءات تصحيحية في العمل، تقييم ربحية المنتجات في السوق الليبية.	Changed	85
هل طلبت منكم إدارة التسويق في الشركة الأُم عملية مراجعة أو تقييم لاستراتيجية الشركة فيما إذا كانت ملائمة للفرص المتاحة — أو المحتملة — في السوق الليبية.	Changed	86
إلى أي مدى يختلف البرنامج التسويقي في السوق الليبية عنه في سوق دولة الشركة الأم لمنتجكم أو لمنتجاتكم من حيثُ ... (المنتج: الخصائص المادية، أسم العلامة، الغلاف) (الترويج: ترويج المبيعات، الصورة الذهنية للمنتج، موضوع الإعلان، استخدام وسائل الإعلام، شكل الإعلان) (سياسات التسعير والترويج: خدمات الزبائن، أنشطة البائعين). المدى . 1. اختلاف كامل 2. اختلاف جزئي 3. غير واضح 4. تماثل جزئي 5. تماثل كامل	Changed	87

Appendix.4

Research variables, measures and sources of the questionnaire

Research variable	Items	Scale	Source	Reliability
I. The Consumer Buying Behaviour	**Attitudes via sentiments** *a) Items of Product* • The quality of most products I bought is as good as can be expected. • I am satisfied with most of the products I bought. • Products are not made as well as they used to be. • Too many of the products I bought are defective in some way. • The companies that make products that I bought do not care enough about how well they perform. • The quality of products I bought has consistently improved over the years. • The instructions on the pack are meaningful for me. • The message on the pack is credible • Companies provide good maintenance and fixing services for customers • Companies offer free delivery of products for customers • The product I bought has a good guarantee • Companies offer free installation of products for customers *b) Items of Price Measure* • Most products I bought are overpriced • Companies could charge lower price and still be profitable • Most prices are reasonable considering the high cost of doing business.	Likert 5-point	Adapted from Dawar & Parker (1994) Gaski & Etzel (1986) Hague & Jackson (1992) Luna & Gupta (2001), Teng at el, (2007),	Product 0.62 Price 0.50

Research variable	Items	Scale	Source	Reliability
I. The Consumer Buying Behaviour	**b) Items of Price Measure(continued)** • Competition between companies keeps prices reasonable. • Companies are unjustified in changing the prices they charge. • Most prices are fair. • In general, I am satisfied with the prices I paid. • The level of discounts that companies offer is not suitable **c) Items of Promotion** • Most advertising provides consumers with essential information. • Most advertising is very annoying. • Most advertising makes false claims. • If most advertising was eliminated, consumers would be better off. • I enjoy most ads. • Most sales promotion campaigns, with gifts and "buy two for one price" stimulates me to buy. • Advertising should be more closely regulated. • Most advertising does not consider society's values. **d) Items of Distribution** • Most retail stores serve their customers well. • Because of the way retailers treat me, most of my shopping is unpleasant. • I find most retail salespeople to be very helpful.	Likert 5-point	Adapted from Dawar & Parker (1994) Gaski & Etzel (1986) Hague & Jackson (1992) Luna & Gupta (2001), Teng at el, (2007),	Promotion 0.62 Place 0.68

309

Research variable	Items	Scale	Source	Reliability
I. The Consumer Buying Behaviour	**d) Items of Distribution (continued)** • I find most retail salespeople to be very helpful. • Most retail stores provide an adequate selection of products. • In general, most middlemen make excessive profits. • When I need assistance in a store, I am usually not able to get it. • Most retailers provide adequate service.	Likert 5-point	Adapted from Dawar & Parker (1994) Gaski & Etzel (1986) Hague & Jackson (1992) Luna & Gupta (2001), Teng at el, (2007),	
	e) Purchase Intention I would definitely intend to buy/ absolutely consider buying/ definitely expect to buy/ absolutely plan to buy home appliances in the long term/ absolutely plan to buy home appliances in the sort term	MCQ	Adapted from Teng at el, (2007)	
	f) Influencing factors on buyer intention • If I intend to buy a certain home appliance, advice from my friend could change my purchase decision • If I intend to buy a certain home appliance, advice from one of my family could change my purchase decision • If I intend to buy a certain home appliance, a salesperson in the store could change my purchase decision	Likert 5-point	Adapted from Sample & Warland 1973, Kotler 2003	0.62

Research variable	Items	Scale	Source	Reliability
II) Consumer attitudes toward the companies' philosophy	• Most foreign companies operate on the philosophy that the consumer is always right. • Despite what is frequently said "let the buyer beware" is the guiding philosophy of most foreign companies. • Most foreign companies seldom shirk their responsibility to the consumer. • Most foreign companies are more interested in making profits than in serving consumers. • The government have to impose some restrictions on the marketing activities of the foreign companies in Libya	5-point	Adapted from Gaski & Etzel (1986)	0.50
III) Behavioural Aspects measures	*a) Reliance on producer information* • I often rely on messages in commercials, salesperson, media and/or personal friends when purchasing home appliances. • The information received from manufacturers may not be helpful for the decision that they have to make	MCQ Likert 5-point	Adapted from Dawar *et al.,* (1997) Adapted from Meyvis & Janiszewski (2002)	
	b) Consumer preferences • Rank the three most important choices when they buy home appliances: price, safety, country-of-manufacturing, brand name and the sales man.	2-Choice	Newly developed	

Research variable	Items	Scale	Source	Reliability
III) Behavioural Aspects measures	*b) Consumer preferences (continued)* The ethno-national identity • I feel guilty if I choose to buy foreign products over domestic products • There should be very little trading or purchasing of goods from other countries unless out of necessity • Buying foreign products hurts our economy and countrymen	Likert 5-point	Lundstrom *et al.,* (1998)	0.73
	The country image • Appliances made in the following countries show a very high degree of technological innovation • The appliances made in the following countries are prestigious • In general, I like appliances made in these countries	MCQ	Same as above	
	The Openness to foreign culture • I like to keep up with international affairs • I am interested in foreign cultures • I enjoy foreign films and TV pro grams • I make special effort to meet foreigners	Likert 5-point	Lundstrom et al., (1998); Sharma *et al.,* (1994)	0.66
	The signals of product quality • I use Brand name as a signal of quality for purchasing home appliances • I use Price as a signal of quality for purchasing home appliances • I use the physical appearance as a signal of quality for purchasing home appliances • I use the retailer reputation as a signal of quality for purchasing home appliances	Likert 5-point	Dawar and Parker (1994)	0.50

Research variable	Items	Scale	Source	Reliability
III) Behavioural Aspects measures	**c) Risk taking** • The purchase of an unfamiliar product will lead to a financial loss. • The purchase of an unfamiliar product would not meet your expectations based on the amount of money required to pay for it. • An unfamiliar product would function poorly. • An unfamiliar product would not meet your needs and desires very well. • An unfamiliar product would not be safe or would be harmful. • The purchase of an unfamiliar product will make others think less highly of you	Likert 5-point	Soares (2004)	0.80
	d) Advertising effect • How do you consider advertisements (unpleasant/pleasant) (unexciting/exciting) • Most advertising attracts my attention. • When I see products in store, advertising images appear in my mind. • There are products I do not plan to buy until I read or watch advertisement about them. • When I buy products, I have usually read or watched advertisements about them before	2-Choice Likert 5-point	Adapted from Teng *et al.*, (2007) Newly developed	0.68
	e) Shopping behaviour • I choose a store according to the information gathered during previous purchasing. • I prefer to buy from the store that I know before. • In my purchase decision, the choosing of the store is less important than the brand.(or product) • In shopping, I prefer to go shop around to find different offers from different sellers.	Likert 5-point	Weisbuch *et al.*, (2000	0.50

Appendix.5

Research variables, measures and sources of the interview schedule

Research variable	items	Source
I) The classification of the standardization levels of marketing programme	*a) Marketing Research* • Do you use ready-made information about Libyan consumers? • Do you carry out surveys or research on Libyan consumers? *b) Pricing* • Do you adapt discount levels according to Libyan Market? • Do you adapt prices according to the Libyan Market? *c) Promotion* • Do you adapt sales promotion campaigns according to Libyan Market? • Do you adapt advertising messages according to Libyan Consumers? *d) Distribution* • Do you adapt the flows and levels of distribution channels according to Libyan Consumers? • Do you adapt the system of distribution channels according to Libyan consumers? *e) Product Decisions* • Do you adapt the product packing (Potential product) according to the desires of Libyan consumers? • Do you adapt the product decisions (basic product) according to the desires of Libyan consumers? *f) Marketing Control* • Do you collect feedback from the selling point about Libyan consumers to prepare suggestions for the marketing department in the mother country? • Doe marketing departments in the mother country request the specific reports and information about Libyan consumers to consider them in marketing programme designs?	Newly developed
	g) Comparing the situation in the Libyan market and in the parent company's home market, how similar or different are the following marketing programme elements for your major product (line)? • *Product* (product physical characteristics, brand name and packaging) • *Promotion* (sales promotion, product positioning, advertising theme, media allocation and advertising copy) • *Pricing policy* and *Distribution* (customer service and role of sales force)	Ozsomer and Simonin (2004)

Research variable	items	Source
II) The potential factors in the degree of standardisation	*a) Product features* • Does your product(s) require some adaptations for entering the Libyan market? • Do you develop national or regional product designs and marketing programmes? • Do you use universal brand names, packing, colours or so on?	Adapted from Jain (1989), Kotler (1986)
	b) Mode-of-entry • What is your company's mode of entry to the Libyan market (Branch Office, Joint Venture/Joint Stock Company with a local firm, Representative Office, enter Libya under the provisions of investment law and entering through Local Agency)	Newly developed
	c) Headquarters-subsidiary relationship • Does the consensus between you (as a subsidiary) and your headquarters have key standardisation issues	Jain (1989)
	d) Competition What is the consideration(s) (from the choices below) that you take into account in the making of marketing decisions? • The behaviours and marketing activities for all companies offering similar products and services to Libyan consumer at similar prices • The behaviours and marketing activities for all companies making home appliances • The behaviours and marketing activities for all companies manufacturing products that supply the same services. • the behaviours and marketing activities for all companies that compete for Libyan consumer's Dinars (the currency of Libya)	Newly developed

Appendix.6

The Graphs of Good-fit Sub-models

AMOS

Response to Product and Behavioural Aspects

(A) Ethno-national Identity
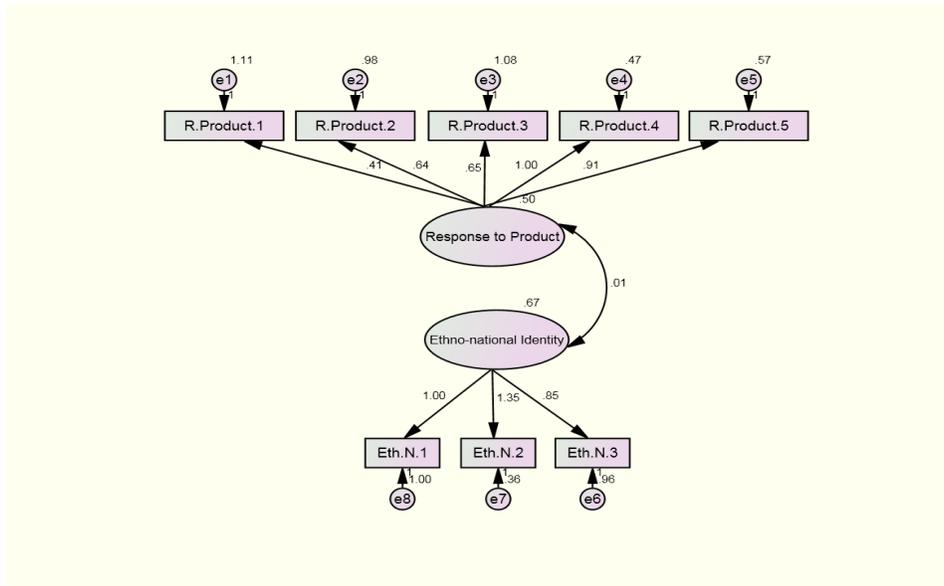
(B) Shopping Behaviour
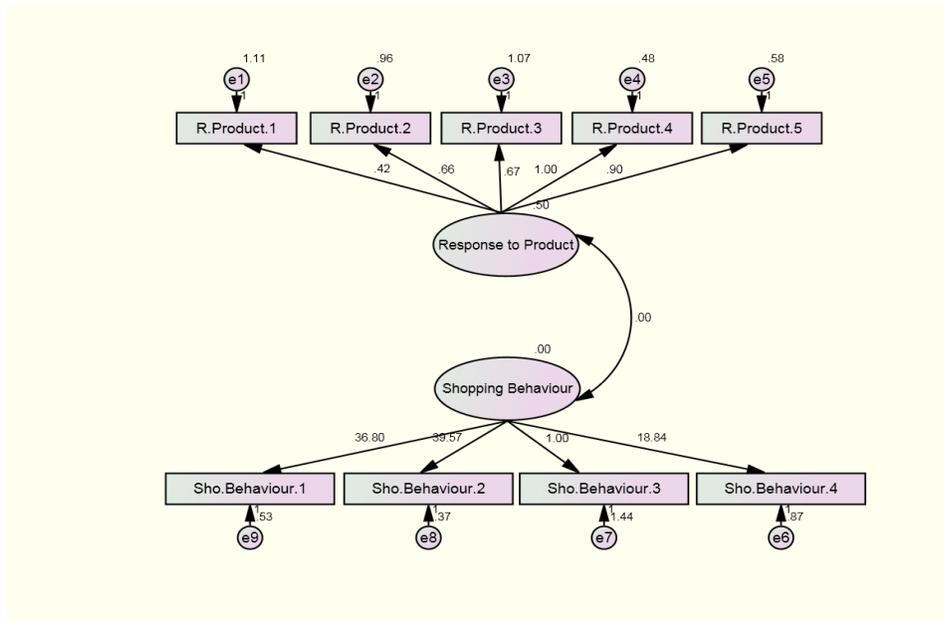
Response to Promotion and Behavioural Aspects

(A) Signals of Quality
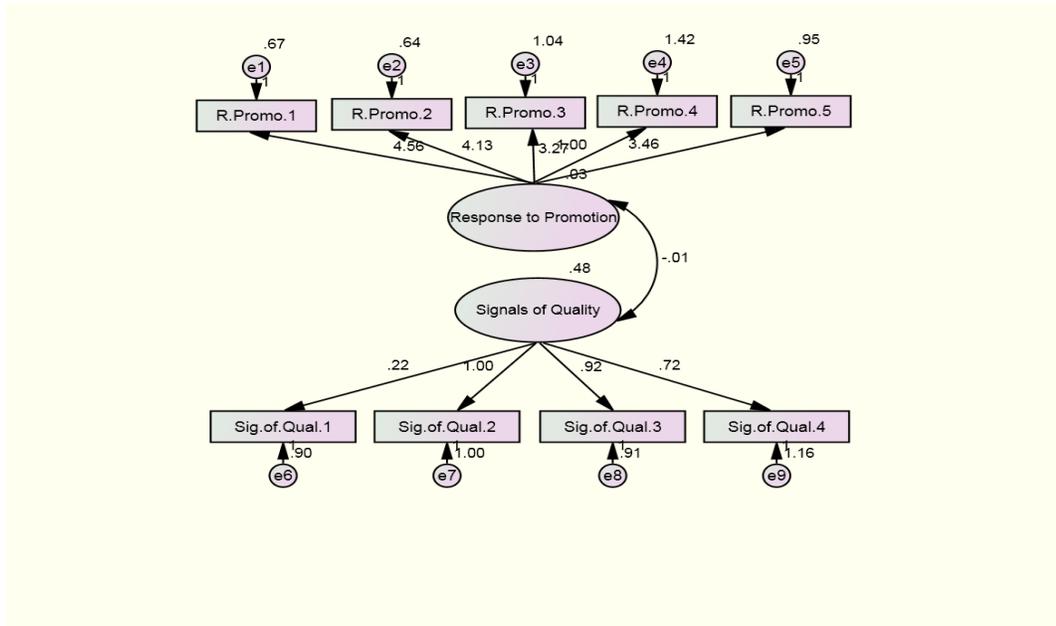
(B) Ethno-national Identity
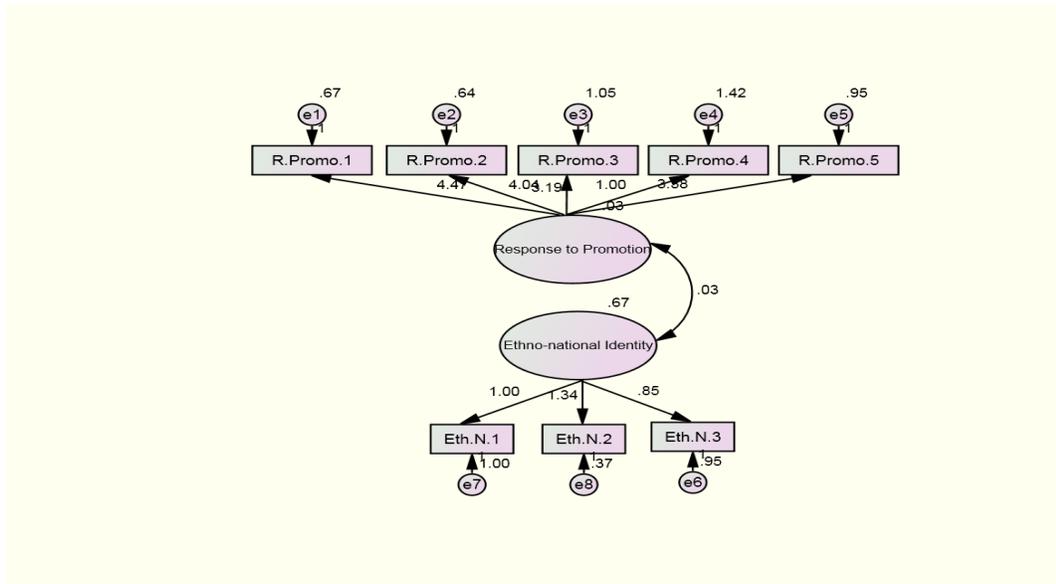
(C) Shopping Behaviour
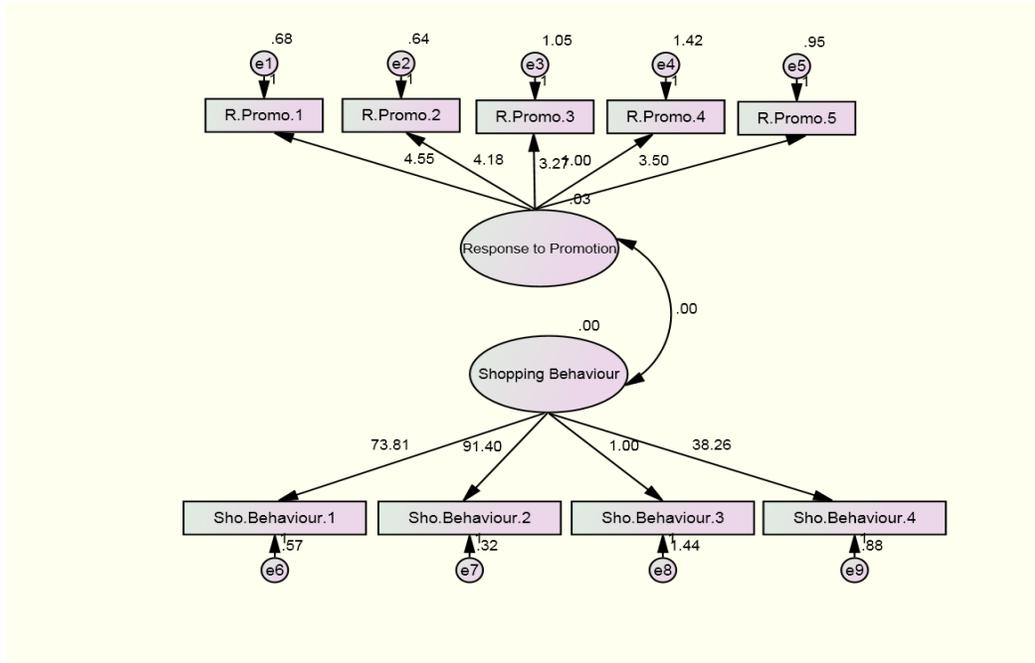
Response to Distribution (Place) and Behavioural Aspects

(A) Signals of Quality
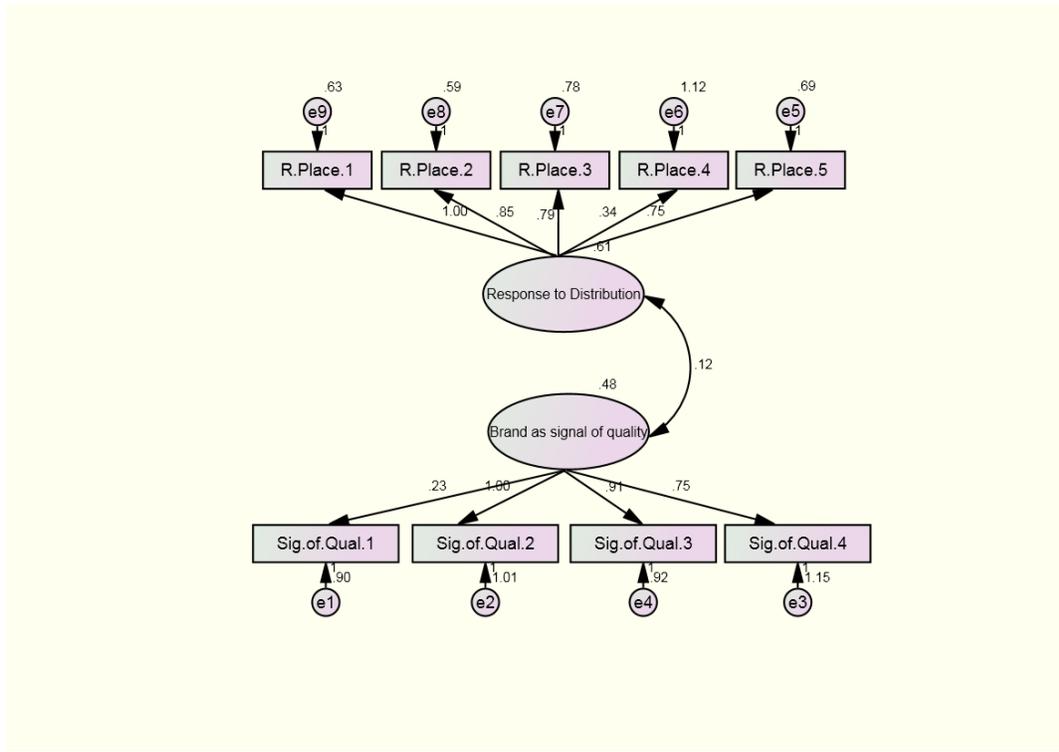
(B) Ethno-national Identity
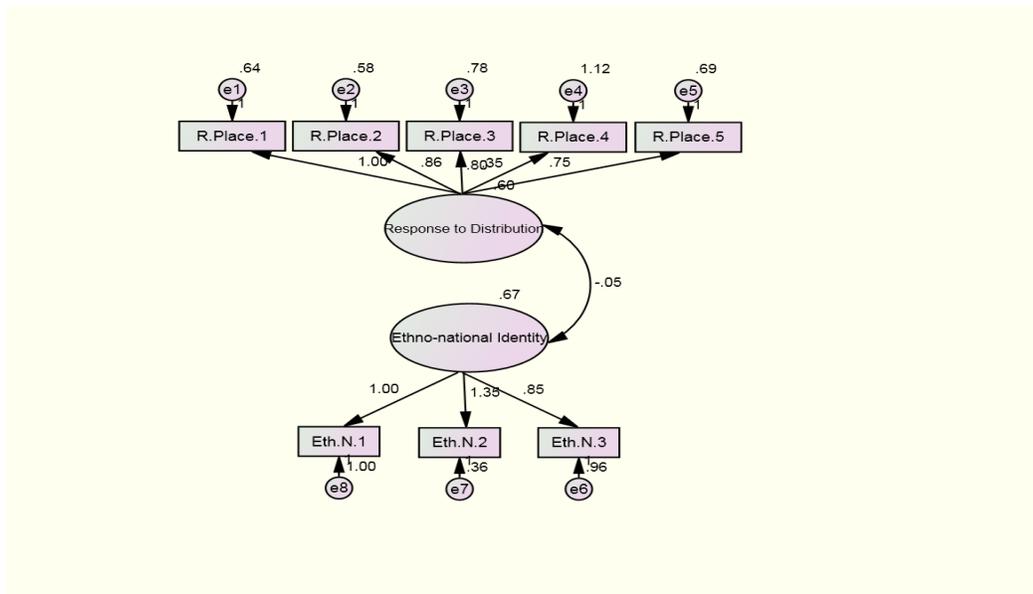
(C) Openness to Foreign Culture
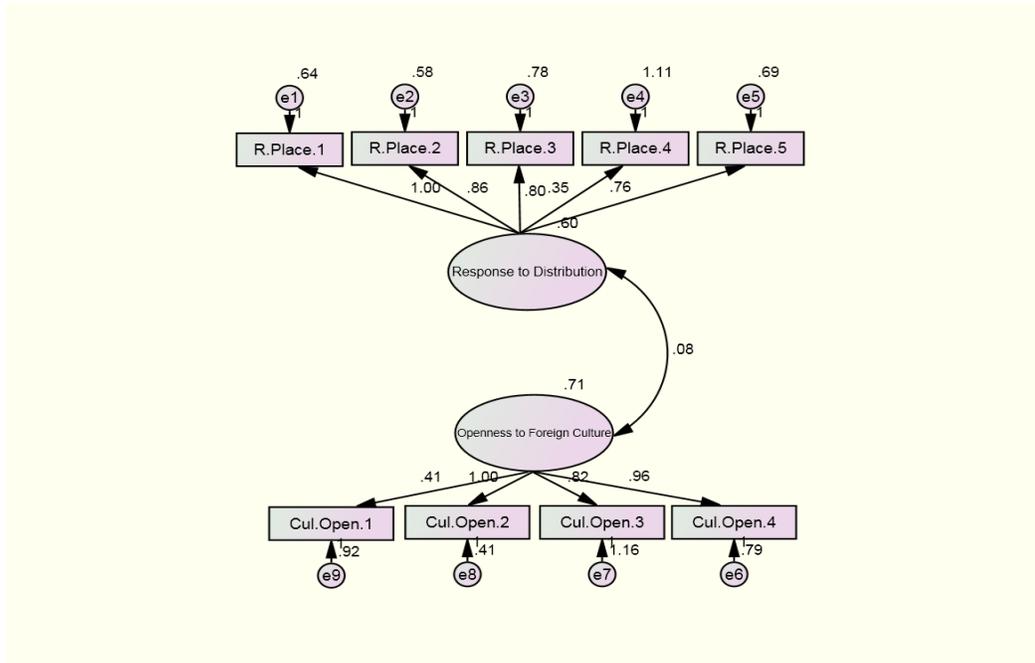
(D) Shopping Behaviour
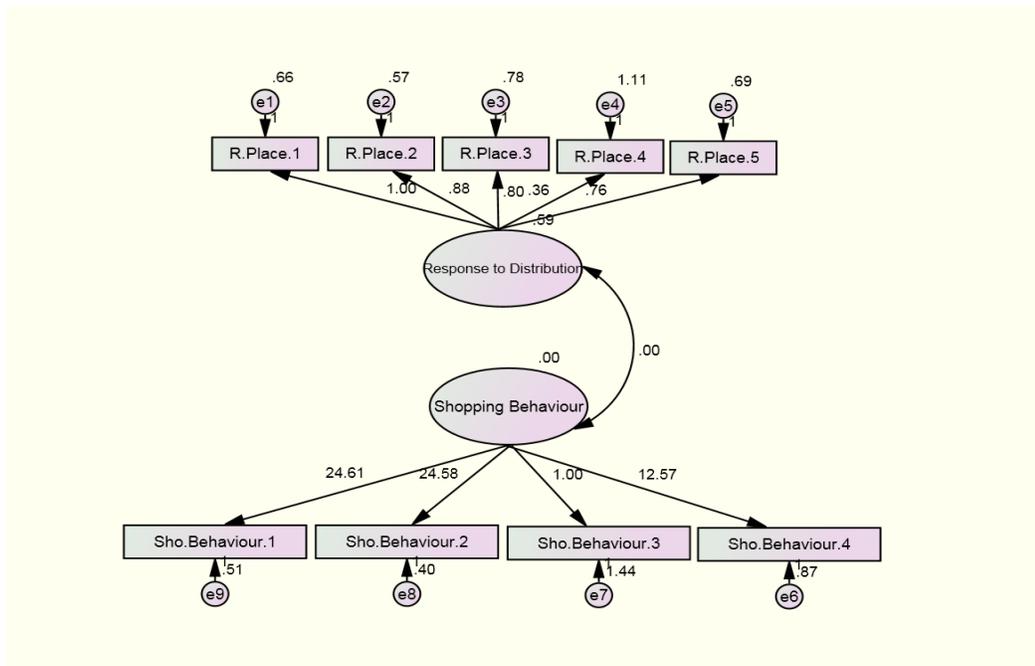
Appendix.7

Goodness-of-fit Measures of Models

AMOS Tables

1. Response to Product and Behavioural Aspects

(A) Ethno-national Identity

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	17	37.520	19	.007	1.975
Saturated model	36	.000	0		
Independence model	8	1085.852	28	.000	38.780

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.040	.988	.978	.522
Saturated model	.000	1.000		
Independence model	.294	.719	.639	.559

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.965	.949	.983	.974	.982
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.679	.655	.667
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	18.520	4.864	39.948
Saturated model	.000	.000	.000
Independence model	1057.852	953.807	1169.289

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.047	.023	.006	.050
Saturated model	.000	.000	.000	.000
Independence model	1.351	1.316	1.186	1.454

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.035	.018	.051	.936
Independence model	.217	.206	.228	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	71.520	71.905	151.264	168.264
Saturated model	72.000	72.815	240.870	276.870
Independence model	1101.852	1102.033	1139.379	1147.379

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.089	.072	.116	.089
Saturated model	.090	.090	.090	.091
Independence model	1.370	1.241	1.509	1.371

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	646	776
Independence model	31	36

(B) Shopping Behaviour

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	19	52.558	26	.002	2.021
Saturated model	45	.000	0		
Independence model	9	741.653	36	.000	20.601

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.043	.985	.975	.569
Saturated model	.000	1.000		
Independence model	.181	.806	.757	.644

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.929	.902	.963	.948	.962
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.722	.671	.695
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	26.558	9.644	51.240
Saturated model	.000	.000	.000
Independence model	705.653	620.827	797.897

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.065	.033	.012	.064
Saturated model	.000	.000	.000	.000
Independence model	.922	.878	.772	.992

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.036	.021	.050	.956
Independence model	.156	.146	.166	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	90.558	91.037	179.684	198.684
Saturated model	90.000	91.134	301.088	346.088
Independence model	759.653	759.880	801.871	810.871

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.113	.092	.143	.113
Saturated model	.112	.112	.112	.113
Independence model	.945	.839	1.060	.945

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	595	699
Independence model	56	64

2. Response to Promotion and Behavioural Aspects

(A) Signals of Quality

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	19	61.630	26	.000	2.370
Saturated model	45	.000	0		
Independence model	9	719.243	36	.000	19.979

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.051	.983	.971	.568
Saturated model	.000	1.000		
Independence model	.200	.807	.759	.646

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.914	.881	.949	.928	.948
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.722	.660	.685
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	35.630	16.439	62.523
Saturated model	.000	.000	.000
Independence model	683.243	599.801	774.107

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.077	.044	.020	.078
Saturated model	.000	.000	.000	.000
Independence model	.895	.850	.746	.963

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.041	.028	.055	.850
Independence model	.154	.144	.164	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	99.630	100.109	188.756	207.756
Saturated model	90.000	91.134	301.088	346.088
Independence model	737.243	737.470	779.461	788.461

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.124	.100	.157	.125
Saturated model	.112	.112	.112	.113
Independence model	.917	.813	1.030	.917

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	508	596
Independence model	58	66

(B) Ethno-national Identity

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	17	37.520	19	.007	1.975
Saturated model	36	.000	0		
Independence model	8	1085.852	28	.000	38.780

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.040	.988	.978	.522
Saturated model	.000	1.000		
Independence model	.294	.719	.639	.559

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.965	.949	.983	.974	.982
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.679	.655	.667
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	18.520	4.864	39.948
Saturated model	.000	.000	.000
Independence model	1057.852	953.807	1169.289

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.047	.023	.006	.050
Saturated model	.000	.000	.000	.000
Independence model	1.351	1.316	1.186	1.454

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.035	.018	.051	.936
Independence model	.217	.206	.228	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	71.520	71.905	151.264	168.264
Saturated model	72.000	72.815	240.870	276.870
Independence model	1101.852	1102.033	1139.379	1147.379

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.089	.072	.116	.089
Saturated model	.090	.090	.090	.091
Independence model	1.370	1.241	1.509	1.371

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	646	776
Independence model	31	36

(C) Shopping Behaviour

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	19	52.558	26	.002	2.021
Saturated model	45	.000	0		
Independence model	9	741.653	36	.000	20.601

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.043	.985	.975	.569
Saturated model	.000	1.000		
Independence model	.181	.806	.757	.644

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.929	.902	.963	.948	.962
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.722	.671	.695
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	26.558	9.644	51.240
Saturated model	.000	.000	.000
Independence model	705.653	620.827	797.897

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.065	.033	.012	.064
Saturated model	.000	.000	.000	.000
Independence model	.922	.878	.772	.992

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.036	.021	.050	.956
Independence model	.156	.146	.166	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	90.558	91.037	179.684	198.684
Saturated model	90.000	91.134	301.088	346.088
Independence model	759.653	759.880	801.871	810.871

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.113	.092	.143	.113
Saturated model	.112	.112	.112	.113
Independence model	.945	.839	1.060	.945

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	595	699
Independence model	56	64

3. Response to Distribution (Place) and Behavioural Aspects

(A) Signals of Quality

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	19	44.005	26	.015	1.692
Saturated model	45	.000	0		
Independence model	9	845.534	36	.000	23.487

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.036	.988	.979	.571
Saturated model	.000	1.000		
Independence model	.205	.768	.710	.614

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.948	.928	.978	.969	.978
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.722	.685	.706
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	18.005	3.503	40.370
Saturated model	.000	.000	.000
Independence model	809.534	718.564	907.913

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.055	.022	.004	.050
Saturated model	.000	.000	.000	.000
Independence model	1.052	1.007	.894	1.129

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.029	.013	.044	.992
Independence model	.167	.158	.177	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	82.005	82.484	171.131	190.131
Saturated model	90.000	91.134	301.088	346.088
Independence model	863.534	863.761	905.752	914.752

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.102	.084	.130	.103
Saturated model	.112	.112	.112	.113
Independence model	1.074	.961	1.196	1.074

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	711	834
Independence model	49	56

(B) Ethno-national Identity

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	17	35.574	19	.012	1.872
Saturated model	36	.000	0		
Independence model	8	1203.406	28	.000	42.979

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.046	.988	.978	.522
Saturated model	.000	1.000		
Independence model	.293	.693	.605	.539

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.970	.956	.986	.979	.986
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.679	.659	.669
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	16.574	3.543	37.402
Saturated model	.000	.000	.000
Independence model	1175.406	1065.607	1292.594

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.044	.021	.004	.047
Saturated model	.000	.000	.000	.000
Independence model	1.497	1.462	1.325	1.608

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.033	.015	.049	.956
Independence model	.229	.218	.240	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	69.574	69.959	149.318	166.318
Saturated model	72.000	72.815	240.870	276.870
Independence model	1219.406	1219.587	1256.933	1264.933

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.087	.070	.112	.087
Saturated model	.090	.090	.090	.091
Independence model	1.517	1.380	1.662	1.517

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	682	818
Independence model	28	33

(C) Openness to Foreign Culture

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	19	50.871	26	.002	1.957
Saturated model	45	.000	0		
Independence model	9	1210.990	36	.000	33.639

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.035	.986	.976	.570
Saturated model	.000	1.000		
Independence model	.246	.709	.636	.567

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.958	.942	.979	.971	.979
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.722	.692	.707
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	24.871	8.409	49.117
Saturated model	.000	.000	.000
Independence model	1174.990	1065.017	1292.350

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.063	.031	.010	.061
Saturated model	.000	.000	.000	.000
Independence model	1.506	1.461	1.325	1.607

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.034	.020	.048	.967
Independence model	.201	.192	.211	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	88.871	89.350	177.997	196.997
Saturated model	90.000	91.134	301.088	346.088
Independence model	1228.990	1229.217	1271.208	1280.208

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.111	.090	.141	.111
Saturated model	.112	.112	.112	.113
Independence model	1.529	1.392	1.675	1.529

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	615	722
Independence model	34	39

(D) Shopping Behaviour

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	19	55.896	26	.001	2.150
Saturated model	45	.000	0		
Independence model	9	886.188	36	.000	24.616

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.047	.984	.973	.569
Saturated model	.000	1.000		
Independence model	.190	.759	.699	.607

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.937	.913	.965	.951	.965
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.722	.677	.697
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	29.896	12.115	55.417
Saturated model	.000	.000	.000
Independence model	850.188	756.921	950.862

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.070	.037	.015	.069
Saturated model	.000	.000	.000	.000
Independence model	1.102	1.057	.941	1.183

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.038	.024	.051	.927
Independence model	.171	.162	.181	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	93.896	94.374	183.022	202.022
Saturated model	90.000	91.134	301.088	346.088
Independence model	904.188	904.414	946.405	955.405

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.117	.095	.149	.117
Saturated model	.112	.112	.112	.113
Independence model	1.125	1.009	1.250	1.125

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	560	657
Independence model	47	54

Abstract (in Arabic)

المستخلص

تُشيرُ الدراساتُ والبحوثُ في الأدب التَسويقي، بأنهُ يجبُ على المسوقينَ فهم الاختلافات الثقافية لتصميم برامج تَسويقية يمكن تَوجيهها واستخدامها لدولٍ مختلفة. من جهةٍ أُخرى، يقول بعض الباحثين في مجال التَسويق بإمكانية تعريف مجموعات من المستهلكين في دول مختلفة، واستهدافها بنفس الأسلوب التَسويقي. هذان المنظوران المختلفان أَثارا التَساؤُل: إلى أي مدى يجب أن يُنمط البرنامج التَسويقي الذي يَستهدف دولاً مختلفة عبر العالم؟ إن قضايا التَنميط والتكييف في التَسويق الدولي، جذبتَ اهتمامَ كثيرٍ من الباحثين عبر العقود الثلاثة الماضية. فالآراء متباينة حول الحاجة للتَنميط والتكييف، والجدل بين الباحثين لايزال قائماً اليوم؛ وهو ما زاد من أهمية استمرار البحث في مدى تأثير وجدوى البرامج التَسويقية عبر الدول المختلفة، لدى الأكاديميين والممارسين على حدٍ سواء. هذا البحثُ، يدرسُ الكيفية التي تَترجم بها الشركاتُ الدولية حاجتها لتكييف برامجها التَسويقية في السوق الليبية، وكيف يستجيب المستهلكين الليبيين للأنشطة التَسويقية لهذه الشركات؛ وذلك من خلال تحديد أثر البرامج التَسويقية الأجنبية على سلوكهم الشرائي، والتعرُّف على كيفية تأثُرهم بهذه البرامج وفقاً لخصائصهم الشخصية؛ سعياً لبناء نموذج لسلوكهم الشرائي في هذا الإطار.

صُمِمَ هذا البحثُ من مرحلتين، بهدف دراسة أثر البرامج التَسويقية الأجنبية في ليبيا من وجهتي نظر مختلفتين. أولاً، باستخدام أُسلوب المقابلة المقيدة مع الوكلاء التجاريين لأربعةٍ من شركات تصنيع المواد المنزلية الأجنبية المتواجدة في السوق الليبي، تَم تَحديد درجة التَنميط الفعلية التي تُطبقها هذه الشركات في هذا السوق الناشيء والواعد. ثانياً، تَمَّ استخدام استمارة استبيان، وزِّعت عَشوائياً على 805 مستهلكاً ليبياً، في ثلاثِ مدن رئيسية في ليبيا (طرابلس؛ بنغازي؛ سبها)؛ لتحديد أيُّ العوامل يجب أن تُؤخذ في الاعتبار كمتغيراتٍ هامةٍ لفهم تأثير البرامج التَسويقية الأجنبية على سلوكِ المستهلك الليبي.

أظهرتَ نتائج هذا البحثُ أن الشركات الأجنبية تَنزع إلى تطبيق استراتيجية التَنميط في أنشطتها التَسويقية، ولكن هذه الاستراتيجية لم يتَم تطبيقها بنفس الدرجة في البرامج التَسويقية للشركات الأربعة قيد البحث، كما أن فاعليتَها كانتَ متباينة. أيضاً، بينتَ النتائج بأن السلوك الشرائي للمستهلكين الليبيين يتأثر بالخصائص الفردية للمستهلك أكثر من تأثُره بعوامل الثقافة المحلية. مما تَوصل إليه البحثُ من نتائجَ، يمكن القول بأن فهم خصائص المستهلك في السياق الثقافي لهذا الإقليم (الوطن العربي) هو العامل الفاعل والرئيسي في تصميم البرامج التَسويقية للدول العربية.