

# CULTURAL ADAPTATION OF PRODUCTS

Lecturer PhD Catalin Mihail BARBU

University of Craiova

Email: [catarom@yahoo.com](mailto:catarom@yahoo.com)

## *Abstract:*

*In this paper I discussed the factors that influence the cultural adaptation of products. Globalization determines the companies to operate abroad; therefore the firms sell their products to markets where the consumer patterns might differ from their national market. It is of high importance to be able to understand and to adapt to local consumer habits. The culture has a strong influence on products adaptation in particular, and on international marketing in general. Companies must be able to adapt their products, but, in the same time, to keep the note of originality, so that the global image of brand to gain consistency. Global brands provide a larger advantage regarding the marketing activities and costs. Savy companies are capable to recognize and to use cultural differences in their use.*

*Keywords: product adaptation, international marketing, cultural factors.*

## **Definitions of culture**

Culture is so complex that it is difficult to define. It is a conscious behavior and consistent with its elements. According to N.AI.Pop and Dumitru Pop, I. (2001, p. 95), culture is defined as a group of taught responses of different peoples to variable stimulus.

Culture results from a group of behaviors, beliefs, ways of organization, the dominant ideology. The inherited cultural values represents explanatory factors of purchase or non-purchase: individualism, materialism, moral or religious beliefs (Nistorescu and Meghişan 2008, p. 75 ).

For Constantin Sasu (2005, p. 64) culture is the whole legacy of a society transmitted through speech, literature or other forms of communication. It is conservative and has to be learned and transmitted from generation to generation. Culture can be regarded as a distinctive way of life of a nation. Culture is the configuration of the taught behaviors and of the results of these behaviors. The components of culture are shared and transmitted by the members of a society.

Culture is useful for society and individual because the daily tasks are simplified by the unwritten laws of involvement in social interactions. Culture lies in the individual consciousness, and individuals learn culture through socialization (growth and maturation) and adjust to a new culture (Cateora, 2006, p.67).

Managers and marketers should be aware of cultural variables that influence decision making process at individual and organizational level. Culture can be identified by the sum of its elements, interrelated and acting coherently. Usunier and Lee (2009, p. 4-7) consider that there are four major groups of elements of culture:

- a) language;
- b) institutions;
- c) material culture;
- d) symbolic culture.

An sole cultural element may belong to one or more groups of items described above. Table 1 classifies the elements of culture. These variables are the following: written and spoken language, nonverbal communication, education, attitudes, social organization,

thought patterns, proximity, and traditions. The effect of these technological factors, aesthetics, elements is interdependent and material possessions, religion, customs inseparable.

**Table 1**

**Elements of culture**

<b>Language</b>	<b>Institutions</b>	<b>Material culture</b>	<b>Symbolic culture</b>
Written and spoken language Nonverbal communication	Education Attitudes Social organization Thought patterns	Proximity Technological factors aesthetics Material possessions	Religion Customs and tradition

Source: Adapted from Usunier and Lee, 2009, p. 4-7.

All these cultural differences can represent premise of cultural adaptation of products and services. Consumer behavior is strongly cultural related. Globalization has induced a source of standardization but the effects of standardization remains diffused.

**Product standardization or adaptation policy**

A firm that deals with international markets has available four alternatives:

- 1) selling the product without changes on international markets.
- 2) modifying products for different countries or regions.
- 3) developing new products for foreign markets.

4) incorporation of any differences in a single product and introducing a global product.

There are different approaches for implementing these alternatives. For example, a firm can only identify target markets, where products may be sold without or with minor modifications. A company can have its line of products for various markets global, regional and local products. Some of these products developed for one market may be introduced later in other markets, including global market where the company originates.

The selection of a standardization or adaptation strategy depends on numerous factors, presented in Table 2.

**Table 2**

**Standardization vs. adaptation**

<b>Factors that encourage standardization</b>	<b>Factors that encourage adaptation</b>
Economies of scale in production	Different terms of use
Savings in research and development	Influences and government regulations
Marketing savings	Different consumption patterns
Economic integration	Local competition
Global competition	Legislative factors

Source: adapted from Sasu 2005, pp 144-147

The strategy of selling standardized products has been adopted by Coca Cola, Microsoft, Nike thanks to the universal recognition of the brand. Although products

standardization is increasing, there are important differences in practices depending on the nature of the companies and the country where products are sold. Products as steel,

agricultural equipments and chemicals are less affected in terms of culture and require fewer adjustments to consumer goods. Technology-intensive products are readily accepted worldwide.

Consumer goods require more adaptations, being influenced by cultural differences and economic conditions of the target market. There are numerous examples of global companies that have made certain adjustments to the specific products to foreign markets. For

example, Unilever and Procter and Gamble, use the same detergent but under various names to be better adapted to local pronunciation.

Many companies may use a combination of standardization and adaptation strategies. Factors affecting decisions to adapt products are listed in Table 3. All these factors are derived from the cultural background of those specific markets.

**Table 3**

**Factors affecting decisions to adapt products**

<b>Market characteristics</b>	<b>Product characteristics</b>	<b>Company characteristics</b>
Government regulations	Functions, attributes	Profitability
Non-tariff barriers	Durability, quality	The cost of adaptation
Characteristics and preferences	Methods of operation and use	Organization
Consumer models	Packaging	Resources
The level of economic development	Brand	Policies adopted
Competition	Warranty, service	Experience
Climate	Life cycle	
Legal	Country of origin	

*Source: Adapted from Sasu 2005, p. 148*

### **Market Characteristics**

*Government regulations and non-tariff barriers*

These regulations are one of the most important factors involving product adaptation to destination markets. Non-tariff barriers try to protect local products from foreign competition and include product standards, technical regulations and subsidies for local products. The amount of money spent by foreign firms to meet these requirements is very high. Requirements related to testing and certification of drugs on the American market has made difficult or even impossible the market entry of foreign firms. Regulations on emission compliance standards has resulted in standards regarding engine exhaust

emissions known as Euro 4, Euro 5, Euro 6, etc..

*Clients' characteristics and preferences*

Products sold on foreign markets are influenced by local behavior, tastes, attitudes and traditions on each market.

*The economic development level*

Buyers who come from developed markets demand sophisticated products, while customers from less developed markets are only solvable for simplified versions of products due to low purchasing power and conditions of use.

*Competition*

Product adaptation to specific foreign markets is often required by the strategies adopted by competitors and pressures exercised by them. The rules of the game vary according to local

business environment, traditions and legislative practices and climate.

#### *Climate*

Climate can affect all components of a product, some products, being more vulnerable to climatic conditions by their nature. Experience has taught the local producers to adapt to difficult climate conditions. For foreign companies this learning process can be extended, leading to initial financial and market share losses.

#### **Product features**

This may require a standardization or adaptation policy. Foods are most sensitive to local tastes and habits. Durable consumer products are subject to a more homogeneous demand and predictable adjustments, such as for example, adjustments to the different technical systems for video devices. Industrial products are the least exposed to cultural differences.

*The brand* of a product refers to a name, symbol, term or sign used to differentiate the firm's offer from the competitors. To a deeper level, the brand is the totality of connections between a product or a company and its clients. The brand is one of the elements that can be easily standardized and permit standardization of other elements of marketing, such as promotion. An international company has several options when choosing a brand strategy. Brands may be local, regional and global. Using local brands often is required to adapt these products to specific markets or the impossibility of using regional or global brands due to negative connotations.

*The packaging* of a product has the following functions: product protection, promotion and ease of use. Packaging will be different depending on the chosen mode of transport, duration of transport and transit conditions. For food producers, firms use more expensive packaging and faster means of transport. Aesthetic

packaging requires careful choice of color and form of packages. Red is often associated with death or magic. In many industrialized countries, black is used, and suggests quality, excellence and class. Size of packages varies depending on purchasing power and market conditions. A pack that includes eight beers can not be used in some markets due to lack of refrigeration capacity in the household. Another factor influencing adaptation to the specific market is the packaging regulations that exist on some markets regarding the use of environmentally friendly packaging.

*Methods of operation and use of products* in different markets may encourage adaptation. Dacia Logan has suspensions adjusted for hard roads. In plus, its design is quite minimal, very utilitarian.

*Product quality* is increasingly supporting the competitive advantage for many companies. An important aspect of quality improvement is the emphasis on design. Some countries, like Singapore and Taiwan provide financial assistance to firms in order to improve product design. However, many companies overlook the importance of product quality when entering developing markets. In certain developing markets customers want to buy quality, expensive products, to signal their increasing consumption power.

*Network service quality* can significantly influence product and company's image. For example, German consumers are very demanding in terms of service activities..

*The effect of country of origin* has a considerable influence on the perceived quality of a particular product. Some products have been successful in different markets, although the home were perceived negatively. For example, tractors manufactured in Romania have been accepted by

European, African and Asian markets because of reasonable price and their rigidity. The effect of country of origin loses its importance as consumers become more informed and as manufacturing firms use multiple production bases.

*The life cycle of product* and marketing strategies related to the product mix are strongly correlated. A product in a mature stage can be in the market introduction phase on another market.

### **Characteristics of the firm**

Before launching a product in foreign markets the firm should take into account the organizational capabilities, of the nature and degree of adaptation necessarily different markets. The estimate of adaptation costs is important for business because it depends on the resources available to the company. The decision to adapt products should follow an extensive market research.

### **Conclusions**

To appreciate the complexity of tailored versus standardized products, one must understand how cultural influences agree with perceived value and importance given to a product by a market. A product is more than a physical element, it is a package of rewards or utilities which the buyer receives. These include its shape, flavor, color, smell and texture, how it works, packaging, labeling, security, service manufacturer and retailer, confidence or prestige enjoyed by the brand, the reputation of the manufacturer, country of origin, and any other symbolic utility received by the possession or use of the product. In short, the market does not apply solely to the physical form and the primary function of the product. The values and customs of a culture give much of the importance of these benefits. In other words, a product is a sum of physical

and psychological rewards provided to the user.

Physical attributes of a product are generally necessary for the creation of the office's primary. Few changes in the physical attributes required of a product from one culture to another. However, a product has a set of psychological traits that are equally important in providing the consumer satisfaction as well as physical features. In some culture, other features of a product (color, size, design, brand, price) have little in common with its primary function - moving from point A to B - but add value received satisfaction.

Adjustments may require modification of any psychological aspect of a product or all aspects. A careful study of the meanings of a product indicates to what extent culture determines an individual's perception of what constitutes a product which gives great satisfaction. Adoption of products by consumers may be affected as much by how the product complies with the concept of norms, values and behavioral patterns as well as his physical and mechanical attributes. An innovation always comes from a well-integrated cultural model; the main reason that determines whether, how, when and in what form is adopted.

When considering a product for a second market, the degree of adjustment required depends on cultural differences and perception of market where the product was originally developed and new market. The greater the cultural differences between the two markets, the greater the degree of adaptation that may be necessary.

Problems of adapting a product for sale abroad are similar to those associated with introducing a new product on the domestic market. Products are evaluated only by their physical specifications. When the product requires acceptance of changes in life patterns, habits and tastes,

understanding new ideas, accepting the difficulty of trust, or acquired tastes and habits-new special force is needed to overcome the natural resistance to change.

## REFERENCES

- Aaker, David, *Managementul capitalului unui brand*, Editura Brandbuilders, București, 2005.
- De Burca, Sean, Fletcher, Richard, Brown, Linden, *International Marketing, a SME perspective*, Prentice Hall, 2004.
- Cateora, Philip, *International Marketing*, Canadian Edition, McGraw-Hill, 2006.
- Crăciun, Liviu, Challenges and opportunities in the new paradigm of marketing, *Analele Universității din Craiova, Seria Științe Economice*, Nr. 33, Vol. 1, 2005.
- Curry, Jeffrey Edmund, *Elemente de marketing internațional*, Editura Teora, București, 2001.
- Danciu, Victor, *Marketing internațional*, Editura Economică, București, 2001.
- Danciu, Victor, *Marketing internațional*, Editura Economică, București, 2008.
- Deresky, Helen, *International Management*, Fifth edition, Prentice Hall, 2006.
- Fisk, Peter, *Geniu în marketing*, Editura Meteor Press, București, 2008.
- Gilpin, Robert, *Economia mondială în secolul XXI – Provocarea capitalismului global*, Editura Polirom, Iași, 2004.
- Gîrboveanu Sorina, Crăciun Liviu, Meghișan Flaviu, Barbu Cătălin, *Marketing internațional*, Editura Universitaria, Craiova, 2009.
- Kotler, Philip, *Marketing de la A la Z*, Editura Codecs, București, 2004.
- Meghișan, Flaviu, *Strategii concurențiale de marketing*, Editura Universitaria, Craiova, 2007.
- Meghișan, Gheorghe, Nistorescu, Tudor, *Bazele marketingului*, Editura Sitech, Craiova, 2006.
- Ogarcă, Radu, The influence of culture on decision-making, *Revista Tinerilor Economiști*, nr. 9/2007, pp. 73-80.
- Popescu, Daniela, *Marketing Business to Business*, Editura Universitaria, Craiova, 2009.
- Scioșteanu, Adriana, Logistica și marketingul, *Conferința economică internațională, Binomul sărăcie - bogăție și integrarea României în Uniunea Europeană*, Sibiu, 2005, ISBN 973-739-101-2 , pp. 347-350.