

The Culture of Business - In Perspective

Knowing THEIR Market

By: Stephen G. Wright

ITEM #1

A particular firm believed that they had a service of great value to Kazakhstan. Their idea was that they could share knowledge and expertise that they had developed over the years with their colleagues in Kazakhstan. The representative that came to do an initial assessment of the market was supremely confident that their previous years of success in Russia (as he saw it, I wonder what the Russians saw) and with other nations outside his home base was testament to the ability of the firm to succeed here. It was boasted that they had outstanding interpreters / translators that did remarkable work. The materials that had been brought to introduce the firm were in English. Everything was in English.

ITEM #2

Businessmen from the Asian region came to Kazakhstan to assess market potential. I agreed to do a short introduction to cultural due diligence. I arrived a little early and was able to watch some of the briefing scheduled before me. The briefing being done was on human resource issues in Kazakhstan - and was presented by an American. The presenter went overtime by twenty minutes. The participants mentioned to me later that this was not considered polite or professional. The HR presenter covered material that was entirely academic and frankly beneath the participant's level of expertise, so I was informed. In short this was an undergraduate level briefing without hard local market analysis. The material relating to the quality and capability of the workers in Kazakhstan was more supposition, innuendo and perception rather than detail supported by local research. In simple terms it was subjective opinion.

ITEM #3

While an administrator at an institution of higher education here I was approached by representatives of a large multi-national. The representatives were local residents. It was their intention to seek permission to introduce a product for women on campus. The product was, based upon my cultural study, somewhat objectionable to the local population. It was explained that this Western product had many benefits and that they would educate the young ladies on campus on the how and why of using the product. Wishing to test my knowledge base I called in to my office, completely at random, a group of female students that were a mix of ethnic and religious origins. I explained in general terms what the company wished to do. My explanation included a statement that the product involved was for female health care, nothing more. All of the participants expressed a positive reaction to the idea of being exposed to product lines from this firm. A sample of the product in question had been sitting on my lap, out of sight, during this whole time. At the moment the ladies had express agreement I pulled it out and placed it on my desk saying, "By the way here is the product they want you to use". As I

spoke, not after, but while I uttered these words 6 of the 10 ladies present actually stepped backward and 2 put their hands over their mouths in shock. Immediately I said to the representatives of the company, "Did you see that, did you see their reaction?" The representatives shrugged their shoulders as if the incident were unimportant. So, I asked the young ladies what the problem was and why. All participants indicated that brining this product on campus in the open as was intended would be highly inappropriate and insulting due to the fact that young ladies are taught the use of the product is inappropriate for their age group. They also felt it demeaning as the boys on campus would see this and make jokes.

I asked the representatives if the company had done any form of market entry analysis regarding the cultural predisposition towards their product here. They responded by saying that market surveys indicated that the public here was willing to try new Western products. The survey seemed to gloss over any connection to cultural taboos regarding the product. So the defense was that a "new" product for women would be welcomed. They failed to anticipate objections of a cultural base. So the question for these two local ladies was why? The response was that they are doing what they were told to do!

They were therefore instructed to tell their company that they may come on campus to educate anyone willing to listen about the product and use whatever pamphlets and brochures they wanted – but the product in question was not allowed on campus (I welcomed them to bring other non-inflammatory products)! I explained that you can achieve a successful market entry with this product through a very patient education campaign, combined with strategic alliances from the medical establishment, religious and community leaders. The representatives and the company in question were never heard from again!

CONCLUSION:

At issue here is the apparent minimal degree of forethought given toward the people that need to be impressed with your products or services. Your perceptions, norms and values must be checked, rechecked and evaluated on a consistent basis in order to minimize culturally inappropriate behaviors. It is a process, it is a method and it creates positive results. Please, find out about it and do it, and if you are doing it take it upon yourselves to get others in tune with the community. There is after all a price for marketing arrogance.

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| Mr. Wright has 12 years of field experience in 5 nations of the F.S.U. Some of his clients for seminars in cross-cultural relations, business communication strategies and "Understanding the U.S. Culture for Strategic Advantage" include, Gazprom, The Ministry of Transportation and Defense of Saudi Arabia, Bechtel, USDA Graduate School, and Georgetown University. Between 1996 and 2002 Mr. Wright was a member of the Associate Faculty in the MBA Program at Johns Hopkins University, School of Professional Studies in Business and Education. In the 1979 Mr. Wright received his undergraduate degree in Political Science from The American University and in 1990 he completed graduate studies in Management at Cambridge College. He is now doing research for a Ph.D. in International Relations. |
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