Preface

The primary purpose of this publication is to examine further the marketing considerations covered in the predecessor to this book, *Transcultural Marketing for Incremental and Radical Innovation*. Business in the 21st century differs largely from the previous one due primarily to the advancement of technology and its use worldwide. The marketing field is certainly not immune to this fact, as can be observed easily by the myriad new products introduced each year around the world. Major consumer product developments such as Google Glass, Xbox One, Galaxy Gear SmartWatch, and Zoomer Pup all demand sustainable marketing strategies and considerations different from the past to effectively reach a global audience comprised of vastly diverse cultures, languages, and traditions. This includes service and scientific innovations such as Netflix, SmartFlare RNA Detection Probes, and Ultra-Efficient Solar Power Panels.

Within the context of these complementary publications and their global audiences, we believe it is important to highlight the vastly under-researched field of cultural indoctrination, although the subject is not specifically covered in this book. Defined as the process of inculcating attitudes, ideas, or methodologies, the traditional meaning of indoctrination should not be confused with the term socialization, which is training a person for a particular social environment. Cultural indoctrination expands well beyond the scope of both concepts. A secondary purpose of this book is to further establish an initial and necessary connection between the expansive field of marketing and the cultural indoctrination we all experience from birth. We highly suggest empirical study and theoretical development to be conducted on cultural indoctrination issues to further advance the marketing field to provide companies a competitive advantage in an era of global hypercompetition.

The fact that the business world of today is in a state of constant and rapid flux is of no surprise to educated or enlightened individuals. Sustainable success in this hectic environment is highly dependent on visionary business, civic, and government leaders who can effectively instill a sense of purpose in people to prevent complacency – a major inhibitor of innovation, be it incremental or radical in nature. The inspiration for this complementary book and its predecessor was born from our collective academic and practical experience in business and marketing since 1985, during which time we realized the need for works fusing creativity, marketing, and innovation.

Creativity is a key factor behind effective marketing or innovation, and we believe nations or organizations which embrace diversity management will be the leaders in those two areas since diversity management enhances creativity. Examples of notable companies with a diverse and creative workforce include American Express, Coca-Cola, IBM, and Toyota – all of which practice four key areas of diversity management: CEO Commitment to Diversity Management, Workforce Diversity and Human Capital, Corporate Communications, and Supplier Diversity. However, an effective diverse workforce in today’s global economy requires managers and leaders who possess high motivational cultural intelligence (CQ).
Therefore, successful marketing and innovation efforts in the future will demand a corporate culture and stakeholders willing to embrace leadership with high CQ that can mold diverse organizational groups into sustainable, productive units in which creativity is considered a virtue not a hindrance.

The globalization of today means companies of all sizes often have staff in various locations around the world and/or have customers located within and outside a firm’s home country. Therefore, particular consideration should be afforded culturally sensitive managers and leaders able to encourage transcultural communication in their rank-and-file employees who, incidentally, will increasingly possess a wide range of different cultural values. Third Culture Individuals (TCIs), those individuals who have spent a significant period of their formative years outside their land of birth, represent a special opportunity regarding transcultural management due to their unique background and should be integrated more fully into the corporate ranks than at present.

The reader will see in the following 21 chapters a wide variety of issues, which are addressed by leading academics and practitioners around the world. Chapter 1 discusses innovation in logistics, which is a critical part of marketing. This study is novel in that it focuses on the unexplored research of logistics innovation from the perspective of service-dominant logic by taking a holistic approach integrating technology, knowledge, and relationship orientation concepts with value co-creation.

Chapter 2 examines the mediating role of innovation in strategic international marketing. The theoretical model consists of four variables, namely firm commitment, innovation, promotion strategy, and firm performance. It is conceptualized that firm commitment influences innovation that mediates the promotion variable, which in turn affects firm performance. The findings shed light on the deployment of resources and capabilities such as human and financial resources, innovation, and promotion strategy to enhance firm performance. The major contributions of this chapter are the establishment of the mediating role of innovation on promotion strategy and the variables from the resources and capabilities perspective affecting firm performance.

Chapter 3 provides a case study allowing the reader to understand culture, motivation, and ethnic consumer behavior. This chapter investigates the Immigration Museum in Melbourne, Australia regarding how the organization uses strategies to promote their products and programs to ethnic consumers. Case study and in-depth interviews are the methods used. The authors argue that a combination of Alferder’s and Schwartz’s theoretical frameworks help museum marketers understand behaviors of ethnic groups, thereby using appropriate marketing strategies in encouraging their consumption. This chapter extends current marketing literature on consumers’ motivation, drive, needs, and non-profit marketing, and validates selected motivational theories. It also provides practical implications for marketers of non-profit organizations.

Chapter 4 discusses the creation of a culturally sensitive marketing strategy for diffusion of innovations using Hofstede’s six dimensions of national culture. The Hofstede framework of national culture is the most widely used cultural framework to explain the consequences of culture for global marketing, branding, and advertising. The purpose of this review is to summarize the current understanding about creating a culturally sensitive marketing intervention strategy including price, competition, and substitution for the diffusion of innovations.

Chapter 5 presents the findings of the latest research results in terms of sales forecasting practices in 30 small-scale manufacturing plants in Macedonia. Findings about organizational sales forecasting practices are obtained through 3 sets of main issues: design, selection, and evaluation. Design issues are related with the purpose/use of forecast, types of data, time horizon, and frequency of sales forecasting modification. Selection issues are related to the most popular sales forecasting techniques and several
evaluation issues are elaborated in details. Macedonian sales forecast practices of small-scale manufacturing participants may be of interest to similar companies in the world, especially in developing countries.

Chapter 6 shows the critical and enabling role of internal marketing via effective Knowledge Management (KM) in the non-profit sector. This chapter will advance understanding of the relationship between KM and the role of internal marketing in generating, sustaining, and strengthening transcultural diffusion of knowledge in nonprofit firms. Transcultural diffusion is the dissemination and exchange of cultural rudiments including ideas, styles, and technologies deeply embedded in the success and philosophy of KM.

Chapter 7 discusses transcultural understanding in business communications in Korea and the USA. Communication in the global business environment is inevitably culture-bound. While the importance of transcultural understanding looms large, the gaps between cultures remain wide. This motivates us to refine our perspectives on communication in the multicultural business environment. Based on experiential discussions, this chapter presents some cohesive points on transcultural communication between the Western and the Eastern cultures, which is presupposed by the cultural contrasts between America and Korea. The chapter can serve as a practically meaningful guideline for business communication between cultures, which is important in international marketing.

Chapter 8 is another case study outlining the complexity of penetrating new markets using Russia as a focal point. This chapter examines the socio-economic factors involved in determining what entry mode the California-based luxury accessories firm Clarwen should choose: agents/distributors, franchising, direct marketing, or joint ventures, in its attempts to penetrate these markets. Distribution and sales channels, selling factors and techniques, pricing, promotion and advertising, and customer support issues will be considered as well.

Chapter 9 analyzes the theoretical and methodological approaches to the study of neuromarketing for designing business strategies. The initial question is based on incorporating advances in neuromarketing into the field of strategic direction. The research method used is to review the literature to study this phenomenon. The main conclusion is neuromarketing permits firms to know the customers’ reactions in terms of brain activation without the need to appeal to the report of the customers’ conscious experiences. Consequently, firms will be able to develop capacities and valuable resources to create focal strategies.

Chapter 10 shows the pivotal role of reverse logistics in organizational supply chains. Due to many drivers such as the intention of organisations towards achieving sustainable development, producing cheaper products, and using resources efficiently, the Reverse Logistics (RL) field has experienced notable growth. Some sources have even referred to RL as a major business opportunity for the 21st century. The great benefits of implementing RL practices in organisations in terms of alleviating the environmental concerns and generating cost savings has been widely acknowledged in the extant literature.

Chapter 11 investigates the effect of incidental advertising exposure in online impulse buying. The purpose of this chapter is to explore the influence of the incidental exposition located in the peripheral zone of vision and perceived “without consciousness” on online impulse buying. The authors attempt to demonstrate that the advertised brands appearing in the peripheral zone of vision are perceived “without consciousness” and the participant does not remember being exposed to this ad recently. The authors test if this exposure has an effect on the purchase of the advertised brand. This research also studies the effect of individual self-control on impulse buying and explores the post-purchase reaction after its occurrence. An incidental exposition of one brand was adopted amongst 247 participants. The results show the incidental exposition to a brand facilitates the impulse buying of this brand.

Chapter 12 provides insight into social media and its effect on consumer loyalty. Due to the increasing number of users and powerful Web-based tools available today on social networks such as Facebook,
enterprises are strategically focusing on the marketing opportunities provided by social media. This preliminary study investigates the effectiveness of the firm’s presence on social networks and their effect on the firm and the consumer. It attempts to identify a possible linkage between a firm’s presence on social network and consumer’s loyalty by addressing critical elements useful for developing new and efficient strategies based on online channels. The data collected from 1,520 Facebook users was analyzed using the Structural Equation Modelling (SEM) technique. The results suggest there is a strong relationship between the firm’s presence on the social network and consumers’ loyalty, thus contributing to the sustained marketing strategies of “social commerce.” Hence, a page rich in content has a positive influence on consumer judgement and loyalty toward the firm with benefits for consumer-centric-oriented strategies.

Chapter 13 covers advancing theory in export performance as a strategy to boost export growth in Africa. This theoretical chapter presents literature on export performance in international business and discusses how exporting firms, especially in Africa, can improve their competitiveness in international markets. The chapter further outlines the dimensions and determinants of export performance as highlighted in the extant literature and the importance of diversification of raw material commodity exports to value-added exports in Africa.

Chapter 14 shows how electronic word-of-mouth affects consumers’ review writing behavior on electronic platforms. This empirical research examines the effects of word-of-mouth motivations and culture on electronic word-of-mouth behavior, and also focuses on the effects of cultural values on electronic word-of-mouth behavior. The data was obtained from an electronic survey provided to 561 consumers. The reliability of scales was tested via the Cronbach’s Alfa Method and the validity of scales was tested by Factor Analysis. After determining the reliability and validity of the scales, research hypotheses were tested by Structural Equation Modeling (SEM) and Multiple Regression Analysis. The findings show that motivation and culture have positive effects on electronic word-of-mouth behavior.

Chapter 15 is a strategic analysis of the competing factors in the global wine trade and the development of model to facilitate foreign country entry mode. This study investigates the crucial components that facilitate export competitiveness in the global wine industry. These components can be described as “determining factors” considered central in the wine trade as they facilitate growth and sustainability of the wine industry on the global level. The study analyzes published literature, applies desk and field research, and proposes a framework that includes a sample SWOT analysis as well as a model to determine potential competitive elements based on LONG PESTLE analysis, a sample competitive grid, and an industry analysis inventory. The chapter contributes to the body of knowledge of strategic management, strategic marketing, globalization of the wine business, wine trade growth strategy, and international business. The results will benefit all stakeholders in the global wine market and especially companies directly involved in the wine trade.

Chapter 16 outlines the social processes of needs, motivation, and drives in contemporary globalism. The world is rapidly transforming into a global village, which increases the need for individuals and corporations to succeed beyond national borders. This chapter shares some critical elements leaders could consider in their facilitation of social processes in globalizing work environments in order to enhance motivation levels. Communication, skill identification, listening, team-building, flexibility, and awareness of an entrepreneurial mindset are some of the aspects to be addressed to attain greater compliance, increased satisfaction, and desired results.
Chapter 17 examines how the luxury products company, Louis Vuitton, employs a digital presence for brand repositioning and Customer Relationship Marketeing (CRM). This chapter explores Louis Vuitton’s e-retail site, its online application, and the quark publishing platform it effectively uses in the digital domain.

Chapter 18 studies e-commerce development in China and its implication for global business. When Alibaba, Inc. started Taobao.com in 2003, there were only a handful of Internet sellers trading online, mostly in second-hand products. Ten years later, China’s e-commerce has become the world’s largest in terms of total consumer spending, surpassing that of the USA. The expanding service sector within the e-business industry, growing popularity of mobile phones, increased number of Internet users, and extensive competition in the e-commerce industry contribute to the astounding growth of China’s Internet market. In this chapter, the authors review the present market conditions of the Business-to-Consumer (B2C) and Consumer-to-Consumer (C2C) markets in China, analyze the critical factors of future development, and discuss the implications for online businesses.

Chapter 19 examines the creation of global competitiveness through culture and religion via the global Halal food industry. This chapter investigates the strategies used by marketers in the supply chain to globalize the Halal food industry with the aim to gain and sustain international competitive advantage. The results offer insights into global Islamic strategic marketing and contribute to existing marketing, strategy, and management literature by raising awareness and benefiting scholars in academia, together with all stakeholders in the retail food industry, farmers, processors, consumers, and other constituents in the supply chain by providing an in-depth understanding of this dynamically growing industry.

Chapter 20 examines cultural intelligence and human capital. Globalization has expanded the domain of human capital requirements. The purpose of the chapter includes the foundation of cultural intelligence as it relates to human capital and concludes with recommendations on how to assess and evaluate whether an organization possesses human capital. The chapter will also assist organizations with evaluating whether they are equipped with developing human capital for competitive advantages based on 11 different types of intelligence.

Chapter 21 rounds out the book via a discussion on Product Life Cycles (PLC). The purpose of this chapter is to provide an overview of the main issues related to the management of the PLC and the diffusion of innovation across different national markets. More specifically, the relationship between transcultural marketing and the PLC will be investigated from consumer and company perspectives to provide an overview of the main criticalities.

The reader should consider the different topics in this book to conclude how the globalization of today is affecting her or his business and marketing operations. We believe this publication will generate new ideas for future research on marketing. All suggestions to improve this work for future publication will be highly appreciated.

Bryan Christiansen
PryMarke, LLC, USA

Salih Yıldız
Gümüşhane University, Turkey

Emel Yıldız
Gümüşhane University, Turkey