

## Marketing in a Multicultural Environment: Understanding Asian Consumers

Multicultural marketing – targeting and communicating to ethnic consumer segments found within the larger society who share a common ethnicity or group identity, such as language or religion – is becoming increasingly important for many organisations for the simple reason that these are rapidly growing markets, especially in the US, which is one of the world’s most advanced consumer markets. In fact, if the spending power of ethnic Americans were represented separately, it would be the sixth-largest nation in the world (OECD, DRI, Selig Center).

One advantage that marketers in the US benefit from is the wealth of data available; for example, in many of the states in the US, if someone wanted statistics on the height and weight of adults, that information could be obtained from drivers’ licence information. This kind of information can be much harder to obtain in other countries.

In general, however, how much do we know about our multicultural market, and where are we on the learning curve? According to Multicultural Snapshot, only about 10% of American companies are saying that they are getting it right, whereas 10% say “We’re just ‘checking it out’” and the vast majority (55%) say “We’re still experiencing trial and error”.

Effective multicultural marketing starts within an organisation and should be integrated into a business, rather than seen as an ad hoc activity. We can find a number of case studies illustrating the strategic options available for multicultural marketing but high-quality information is the key to success. Superficial demographics will only take you so far. Understanding psychographics, cultural values, attitudes, as well as buying behaviours and patterns will help marketers truly understand their target groups. And then, the organisation has to decide how to respond to these insights, in order to connect with these groups effectively. They need to connect to their consumers by not only being able to communicate in the preferred choice of language but also by embracing the culture itself. Most of all, they need to make it relevant by focusing on the values and subjects that matter most.

A one-solution-fits-all marketing approach cannot be assumed; we may define a set of common cultural denominators that can help differentiate the Asian group from other ethnic groups, for example, but there may well be behavioural differences in the way Indian Americans consume media – they tend to watch mainstream English language TV but also use media in their own languages – compared to other Asian Americans. So, connecting with these groups may require very different marketing strategies for specific individual segments.

For example, although Asian and Western consumers share similar shopping motivations, Westerners’ shopping motivation lies mostly with the functional or utilitarian motives; that is, the actual acquisition of products, whereas many Asians value the experience of the shopping activity itself. Furthermore, this variation in shopping motives actually reflects the cultural differences – Westerners are more individualistic whereas Asians are more collectivistic.

Indeed, Richard Nisbett, the author of “The geography of thought: how Asians and Westerners think differently...and why?” argues that the collectivistic nature of Asian consumers allows them to consider the social context before an idea, whereas their Western counterparts stress ideas in their communication. For instance, the advertisements directed to Asian consumers are context-focused while those directed to Western consumers tend to be more content-driven. Similarly, the social details inherent in advertisements



directed to Asian consumers allow them to remember and recall the advertisements more effectively and efficiently than their Western counterparts. Naturally, exercising word-of-mouth communication becomes more prevalent and critical among Asian than Western consumers.

Asian consumers tend to look at the nonverbal and literal messages conveyed in promotional programmes such as advertising, while Westerners emphasise verbal messages in marketing programmes. For instance, most Asian consumers prefer high-context nonverbal communications whereas the Western consumers prefer low-context (explicit, direct and unambiguous) communication (Hall, 1984).

Other characteristics of Asian consumers include their tendency to seek harmonious interactions and conformity to family and social norms. Asians also tend to avoid conflicts and potential disapproval, and prefer silent communication. They stress the obligation of family members to care for each other, and generally adopt a shared or deferred decision-making style. Their relationships with brands are much less personal compared to Western consumers, although consideration of symbolic values of products becomes much more significant if products are consumed in public.

Obviously, even before deciding on an appropriate multicultural marketing strategy, an organisation must decide whether these groups need a differentiated marketing approach. The bottom line is that if an ethnic group can be identified as a market, and effectively reached by an organisation, then it probably warrants a multicultural marketing approach. There are then a number of strategic marketing options available but the golden rules are to research your audience and test everything but also to start with your own organisation – hire people who reflect the multicultural groups you are targeting to ensure you can more effectively identify and really understand your consumers.

Similar to marketing to the general market, the importance of building a good company image is extremely important in gaining consumer loyalty among Asian consumers. For example, whenever possible, organisations should consider implementing credible product return policies and capitalise on well-known brands or manufacturers or country of origin to reduce perceived risks. Again, this reflects the collectivistic culture of Asian consumers which promotes avoiding conflicts and potential disapproval with the social surroundings (Wong and Ahuvia).

In summary, if an organisation is interested in multicultural marketing, its first step should be a rigorous inquiry into corporate culture and an openness to create it. This should then be followed by adapting its hiring criteria and training processes so that they have people who can connect with their multicultural consumers on an emotional level. The next step is to engage in various market research activities which will equip the organisation with information that they can use in targeting and communicating with the chosen market segments. Most importantly, organisations should “do the walk before they talk the talk” - otherwise, they risk losing credibility!

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