

The Influence of Cultural Factors in Marketing

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ABSTRACT. *With the accelerated development of the market economy, more and more companies enter the market, carry out business activities and seek profits. Their marketing activities are subject to many restrictions of the market environment, such as the political, economic, cultural, social and other factors of the market environment. Therefore, the analysis of the market environment is the basis for the company to stand in the position and the prerequisite for the company's long-term development. Some companies pay attention to analysis in marketing, and establish various policies based on the characteristics of the market environment, so as to obtain a great market share and profits, and further develop. However, some companies mistakenly analyzed the market constraints when formulating their strategies, and even did not pay attention to the market environment, resulting in the reduction of profits, or even being forced out of the market. This paper analyzes the influence of cultural factors on companies in marketing, which is subdivided into the influence on suppliers and consumers.*

KEYWORDS: *Marketing, Consumer, Suppliers, Culture*

1. Introduction

Cultural factors are an important factor in the selection of suppliers and the analysis of consumers, because all elements in the market are deeply influenced by local culture. The purchase channels of the supplier, the network of relationships, the effectiveness of the contract, the characteristics of consumers and the selection of goods as well as consumer groups are inseparable from the influence of culture. Enterprises should make marketing policies based on the analysis of the market, especially the analysis of cultural factors.

2. The Influence of Cultural Factors on Suppliers

A supplier is an organization or individual that provides a company with raw materials and resources for production. Enterprises rely on various raw materials provided by suppliers for production activities. Without a complete and reliable process of suppliers, the enterprise is unable to stand on the market and complete its economic activities. The relationship between the supplier and the enterprise is

strong, inseparable and interdependent. Among them, the reliability of the supply determines the credibility of the enterprise among consumers and partners. The stability of the supply price determines the rise or fall of the product price and the strategy of sales. The quality of supply determines the market share of the enterprise's products. With the rapid development of science and technology, the convenience of the network and the speed of freight make suppliers and enterprises no longer limited to a certain region. Their distances begin to increase to the extent that they cross provinces or even borders. However, with the increasing distance between suppliers and enterprises, the cultural differences between regions become more and more obvious, and sometimes even greatly affect the company's business activities and decision-making process, as well as the degree of cooperation between the company and suppliers and the future cooperation relationship.

2.1 Cultural Differences between Suppliers and Enterprises

In the process of production, enterprises will face the problem of supplier selection, and the choice of Chinese or foreign suppliers is an important decision-making process. The cultural differences between the supplier and the company sometimes affect the survival of the contract and the future cooperation between the two companies. Therefore, it is necessary to analyze the influence of each country's culture on the enterprise culture when choosing the enterprise cooperation with great cultural difference.

For Chinese companies, the first is the legacy of history. Many enterprises have not completely got rid of the shackled of the planned economy, and there are obvious differences in the hierarchy of enterprises. Many middle and upper class leaders have absolute authority, while ordinary employees have little or no decision-making power, so they can only completely obey the decisions of leaders and follow their experience in the company. As a result, many employees have low autonomy, low motivation and low innovation awareness. Then, many Chinese enterprises attach great importance to the establishment of network in their communication with suppliers, cultivate personal relationship with partners' employees, and use personal relationship to obtain many benefits beyond the contract, as well as various latest policy trends. As a result, many employees are used to communicating through personal relationships and do not attach much importance to the effectiveness and influence of contracts, resulting in the deterioration of relations with many western companies.

Second, the Chinese enterprises under the influence of Confucian culture, the "benevolence" as the core concept of Confucianism, strive to create a rich honesty and friendliness of the enterprise culture in that they pay much attention to their reputation and influence. Their efforts to create a corporate culture of integrity and camaraderie have led to a strong emphasis on word of mouth from suppliers or partners. Once their partners have economic, moral or political scandal, the cooperation with Chinese enterprises will be badly affected. The Confucian culture also attaches great importance to the hierarchical order, collectivism, at the expense of the individuals. Therefore, employees of the company who actively contribute to

the company are loyal to the company, and have a strong sense of belonging and responsibility. However, too strong collectivism will harm the personal interests of employees, which is not conducive to the long-term development of employees in the company.

For their part, western companies do not put personal relationships above project contracts. Personal relationships do not yield more than contractual benefits. They attach great importance to the contract terms based on law and will strictly implement them. Any violation of the contract will be regarded as breach of contract. If they wish to shake the contract with personal relationship, they will be regarded as dishonesty by western companies and will have a bad influence on future cooperation. Western companies will not spend time for the construction of the network. Besides, they do not depend on the network to access information. Rather, they pay much more attention to the protection of intellectual property rights. Instead of support technology transferred from China and the investment required to build a factory in China, they sometimes would rather spend more and choose other suppliers instead of sharing technology with an outsider.

In western enterprises where there is little difference in rank, most western enterprises pursue internal equality, and employees have great autonomy and personal consciousness. Take American enterprises as an example. Due to the historical and cultural reasons of the United States, its ethnic and racial composition is complex and cultural diversity, so most companies choose individualism to protect the personal interests of employees. At the same time, American companies do not value seniority, and older age does not mean higher status in the company. They attach great importance to personal ability, so this is what Chinese companies need to pay attention to.

Many western European enterprises have a long history, among which many of the administrators and employees believe in Christianity. Faith and history deeply affect their corporate culture. Christianity stresses humanistic care, so the company also pays attention to the friendship and equality between people. In addition, due to the Renaissance, industrial revolution and other historical and cultural role, western European enterprises prefer rational thinking and scientific practice, and therefore the protection of intellectual property rights. In cooperation, China needs to take into account its historical and cultural background and fully respect its customs.

As for Japanese enterprises, although there are certain similarities between Japanese culture and Chinese culture, they cannot be generalized. Due to the historical process and geographical differences between China and Japan, the customs of the two countries are actually not the same. Japanese companies are as hierarchical as their Chinese counterparts, but they are different. Japanese leaders have absolute authority, and their seniority and age determine their position and treatment in the company. In carrying out policies, sometimes leaders do not consider the opinions of their subordinates. Chinese companies need to clarify the qualifications of their personnel and the different treatment of each person.

2.2 Countermeasures of the Suppliers and Enterprises Based on Cultural

Differences. Take Volkswagen as an Example

Germany's Volkswagen is a company with advanced technology. It hopes to enter the Chinese market which is reformed and opened up, so it established a joint venture with the Chinese to set up Shanghai Volkswagen. However, the choice of suppliers was held back due to the huge cultural differences.

Between the Chinese oems and the German suppliers, the Chinese side wants to build manufacturing clusters and assemble them at home to reduce costs. However, the German side believes that sometimes Chinese suppliers will supply to other enterprises, which violates the intellectual property rights of the German side. At the same time, Chinese enterprises attach more importance to the personal contact with the personnel of other companies than to the quality of products, and the personal relationship is often the direct decisive factor in the choice of enterprises. But for the German side, which values quality and contracts, it is easier to choose foreign suppliers with high prices and convenience than Chinese suppliers. Therefore, in order to change the impression of German companies, Chinese suppliers need to establish a complete and formal information collection channel, and no longer rely on the private relationship with the government. At the same time, they pay attention to contract, improve product quality, the service evaluation system and quality certification system. In order to be able to surpass foreign suppliers and become the first choice of German companies they should also attach importance to the protection of intellectual property rights, so that Germany can trust China's manufacturing sector and carry out technology transfer.

The German side requires the professional certification of Chinese suppliers and maintains the quality inspection more than four times a month. However, the Chinese side believes that the German side's requirements are too high. The huge cultural difference between China and Germany leads to the different understanding of the same issue between Chinese and German enterprises. Both sides should compromise and help each other. The Chinese side should ensure that the quality of the products meets the German standards. At the same time, if the once-a-week inspection and assessment is indeed inconvenient, it can timely communicate with the German department to find a correct way to reduce the assessment cost. German companies should be more understanding of Chinese companies. If Chinese companies have difficulties in professional certification, Germany should provide assistance to help China overcome technical difficulties instead of simply changing suppliers.

Chinese enterprises pay more attention to the suggestions of personal network than German enterprises. Many departments are used to relying on personal network to obtain the latest dynamic policies from the government and other institutions and get many preferential terms beyond the contract. However, the German side does not attach importance to the establishment of private relations among employees, and they still attach importance to the contract. Sometimes the Chinese side finds it difficult to communicate with the German side, while the German side thinks that the Chinese side does not abide by the contract. Germany and China should understand each other's culture and customs, and Germany should understand that

China attaches importance to the corporate culture of relationship, cooperation and friendship in the context of Confucian culture, establish close cooperative partnership with Chinese enterprises, and at the same time learn from and trust each other with other enterprises in the supply chain. China should pay more attention to the construction of rules, act in accordance with the rules of the contract and improve the efficiency of cooperation.

The contradiction and cooperation between Chinese and German enterprises in Shanghai Volkswagen can be seen as an epitome of the relationship between Chinese enterprises and western enterprises. In order to obtain the quality of suppliers with a strong desire to cooperate, the enterprise should analyze the culture of the other company and the cultural customs of the country in addition to the basic inspection, so as to understand the differences, respect and understand the differences. The enterprise should perfect the product quality evaluation system of the supplier, communicate with the supplier more about the quality problems, and express their own Suggestions. At the same time, respect the other company's intellectual property rights, according to the contract, so as to establish an efficient and long-term partnership with suppliers in different countries.

3. The Influence of Cultural Factors on Consumers

For companies, consumers are no less important than suppliers, and play a crucial role in the company's bottom line. The purchasing power of consumers determines the profit of the enterprise, whether the enterprise can survive in the market, and the next strategic decision of the enterprise. It can be said that consumer research is an important direction for enterprises to study the market. Enterprises need to understand the characteristics of consumers and classify them, analyze specific problems and formulate different strategies based on different types of consumers. Among them, consumers can be divided into eastern consumers and western consumers according to different cultural customs. Eastern consumers refer to Asian cultural groups represented by Asian countries such as China, Japan and South Korea, while western consumers refer to European and American cultural groups represented by the United States and Western Europe. The differences in cultural customs and social environment determine the purchasing power, purchasing habits and emphasis of commodities of Chinese and western consumers. The specific analysis of the two types of consumers is essential for any enterprise that wants to expand the market and have an international perspective.

3.1 Differences between Chinese and Western Consumers

Chinese and western consumers are deeply influenced by their respective cultures and have different consumption habits. Among them, in the western world view, individualism prevails. Their consumption behavior is closer to their own needs. However, Oriental consumers are deeply influenced by Confucian culture, hierarchy and collectivism, and many of their purchasing behaviors are for the purpose of revealing their social status and establishing social image. While

easterners value tangible, measurable assets more, many westerners value spiritual satisfaction and enjoyment more. Easterners pay attention to family and family affection, and their purchasing behavior is largely influenced by family, while westerners value themselves and personal feelings, and their purchasing behavior is less likely to be influenced by other family members.

American consumers are influenced by multiculturalism, and they consume a wide range of goods, including all kinds of goods from Asia and Europe. And the United States developed economy, per capita purchasing power is strong, so high-end goods are also in large quantities to buy. They are typical western consumers who pay more attention to express their personality and spiritual enjoyment when buying goods. However, the American life pace is fast, the people's material level is high, and the domestic productivity is strong, so consumers pursue new products, and companies need to improve the speed of product upgrading to meet the needs of consumers, and constantly launch new and creative products.

European consumers also see consumption as a means of personal enjoyment, and also buy luxury goods in large quantities. Because of the high level of domestic economy, the people live a rich life, so their purchasing power is very strong.

For Japanese consumers, as Japanese culture is deeply influenced both by Chinese and western cultures, they not only regard consumption as a symbol of personal status like western consumers, and pay attention to the appearance and quality of goods, but also value the practicality of goods like eastern consumers. For Japanese consumers, buying goods is a way to relax and a symbol of enjoyment.

Chinese consumers, on the other hand, are typical Oriental consumers. Chinese people are deeply influenced by Confucianism and have a serious sense of hierarchy. For example, many people see the purchase of goods as a demonstration of social value and status. Then Chinese consumers are very concerned about the appearance and price of goods, and whether they conform to the trend or not. With the reform and opening up, the further development of the economy, the increase of the per capita wage level, people's desire to buy has been further improved. Many people begin to buy a large number of high-end goods, and also pay attention to brand benefits. In the eyes of eastern consumers, brand is crucial.

3.2 Responses of Enterprises to Different Consumers by Taking Luxury Goods as an Example Based on Cultural Differences

With the development of the economy, many Chinese consumers start to buy luxury goods in large quantities, and western consumers are also the main buyers of luxury goods every year. However, both sides have different purchase motivations, purchase preferences and purchase crowd characteristics, so enterprises should develop different strategies for different consumer groups to achieve the purpose of expanding marketing.

3.2.1 Motivation for Luxury Purchase

Most Oriental consumers buy luxury goods to show their personal value and economic status. But some are to show their taste, because they mostly value the high-end and uniqueness of luxury design. Western consumers pay more attention to product quality and design when buying luxury goods. Goods with special design and special meaning are sought after by them. Sometimes they also choose green goods for environmental protection and public benefit. According to the characteristics of different consumers, enterprises should adjust the way of publicity. In the strategy aimed at the eastern consumers, enterprises should take the high-end route for publicity and let consumers understand the value of the brand. Then further increase the popularity of the product, looking for some “web celebrity”, “bloggers” and so on for publicity, to form a trend of buying. In the propaganda activities aimed at western consumers, in addition to adding historical culture, brand new design and other labels to products, customized services can also be launched for consumers to update products according to their requirements. Meanwhile, in line with the new low-carbon, environmental protection, animal protection and other trends in the west, the quality of goods has been strictly checked.

3.2.2 Preference for Luxury Goods Purchase

Oriental consumers pay attention to brand, in which case some people will pursue brand benefits, star benefits. This is because most famous brands can be recognized by others, can better show the social status. At the same time, Oriental consumers also believe that the brand is linked to quality. The more famous the brand is the better quality. And if the service is not good, the number of consumers will drop dramatically. Western consumers pay attention to the quality and design of products, because they buy products for the purpose of pleasing themselves, and do not care too much about whether the brand is famous enough to be recognized by others. Although they also pay attention to the brand, it is also based on personal preference. For the preference of Oriental consumers, enterprises can use a large number of stars as spokesmen to improve the service quality of brand stores and conduct patriotic marketing through translation, slogan, instruction for Chinese customers,. For western consumers, the products of famous designers can be adopted, or the products can be combined with movies and TV series to produce commemorative products.

3.2.3 Customers Who Buy Luxury Goods

Most Chinese and foreign consumers choose luxury goods only when their wages are high enough to buy them, while families with low incomes hardly buy luxury goods. It is worth noting that there is a trend among many young Chinese that many people without the purchasing power of luxury goods save money or even borrow money to buy luxury goods. The vast majority of European and American consumers is in their middle age and will not buy luxury until they have accumulated some wealth. For the company, the real customer group is the people with high economic strength, rather than the people without economic strength, who need to borrow money to buy luxury goods.

Luxury goods are an epitome of countless commodities. The differences between Chinese and western consumers show the differences between their consumer groups. In order to make profits, enterprises must carefully analyze the characteristics of customer groups and conduct marketing in combination with the corresponding cultural characteristics.

In marketing, cultural factors have a profound impact on the choice of suppliers and consumers, the price, quality, effectiveness of suppliers and the communication with enterprises, as well as the purchase preferences, habits and consumer characteristics of consumers. Enterprises need to correctly analyze the influence of culture in marketing activities, so as to be able to stand on the international market, and to achieve the need of expanding profits and popularity.

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