

Cross-Cultural Issues of Online Communication: A Comparison Between Swedish and Chinese Websites

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Master Thesis

Master in International Marketing and Brand Management School of Economics and Management Lund University, Sweden

Spring 2007

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- ABSTRACT -

Title: Cross-cultural issues of online communication: A

comparison between Swedish and Chinese websites

Seminar date: 2007-05-30

Course: BUS 809 - Master thesis in international marketing

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Keywords: cross-cultural issues, culture, Swedish culture, Chinese

culture, international marketing, e-marketing, Internet

marketing, communication

Thesis purpose: The purpose of the thesis is to see the extent of cultural

adaptation that companies undertake when creating their websites. By comparing Swedish and Chinese versions of corporate websites, we wish to see from a company perspective how cultural differences and similarities have

been addressed.

Methodology: We have used a qualitative content analysis method to study

the websites of interest. This method enables us to study cultural references in images, texts and other website

elements.

Theoretical perspective: For our thesis, we have used theory from cultural studies,

Internet marketing and brand communication. The cultural studies theory allows us to understand the basic cultural traits of the Swedish and Chinese culture, and it is the main focus of this thesis. Internet marketing and brand communication theory are used in order to create an understanding of how communication is used in the online environment, and what elements that sets the Internet

channel apart from traditional marketing channels.

Empirical data: We have collected our empirical data using a qualitative

content analysis method conducted on our chosen sample's

adapted their websites to a certain extent. It was clear that

corporate websites.

Conclusion: Our conclusion is that all the companies have culturally

many of the characteristics of each culture appeared in the elements of the websites. Most notable there were long-term orientation and collectivism in China, and short-term orientation and individualism in Sweden. We also found that generally the Chinese websites have integrated a great deal more interactivity on their websites and thus creating relationships with their consumers. In Sweden, websites

were usually simple and plain and used for one-way

communication.

- ACKNOWLEDGEMENTS -

We would like to thank Ulf Elg and Veronika Tarnovskaya who have kindly supervised us during our thesis writing. Without your guidance and advice, this thesis would never have been possible.

Malmö, May 2007

David Do Tin Yan Audrey Wang

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- CHAPTER ONE -

Introduction

The beginning chapters of this thesis hope to give the reader a broad picture of the chosen research topic. We will start with an introduction to give an overview of the thesis, and follow with a background where we present the current views and areas of interest. We advance to the purpose of the thesis by discussing the problem. Then, we will dissect the purpose into research questions that will guide us throughout our work and then we will talk about the limitations and possible contributions of the study. Finally, there will be a short presentation of the structure of the thesis.

1.1 Background

With the booming Internet population in the world, corporations can no longer ignore that the Internet has become an integrated way of doing business. With over 1 billion people surfing the net every day, the possible exposure of a company's website is enormous. As such, companies should not only be limited to using their website as simply a means of single sided communication. The web opens up many possibilities for the Internet as an interactive marketing channel in order to build better relationships with the consumers, such as online stores, information downloading and user-generated content are just a few to mention. Each one of these web functions may improve a company's sales and customer loyalty. However, as more and more companies engage in these activities, the competitive edge gained is rather small.

Ibeh et.al (2005) argues that a good brand image is necessary to leverage the balance of power in the online environment as it is commonly known that Internet users is a fickle and disloyal target group. The website is the only communication channel that enables the consumer to see, consult and obtain product- or corporate-related information any time, anywhere. Okazaki (2005) further mentions that a corporate website is a low-cost gateway to the global market. Therefore, by investing in their website, companies can improve and strengthen their brand image and relationships with customers. More research about effective communication on the website should therefore be relevant and interesting for many companies.

At the same time, the development of websites has not caught up with the increase of Internet users. Although the majority of Internet users speak another first language than English, the majority of websites is in English. Research has shown that from an eretailing perspective, shoppers are three times more likely to buy products from websites in their primary language, and 60 % of all Internet shoppers will click away if the website entered is in another language (Harrison-Walker, 2002).

As can be seen in figure 1 and 2, the majority of Internet users are no longer concentrated to just one continent, but instead spreading to other parts of the world like Asia. This has several implications: websites have to be translated, adapted and

promoted differently because of cultural differences. The corporate website is for many consumers the only experience they have with the company, besides buying their products. Moreover, the website plays a pivotal role for a company's online presence as customers have almost no physical cues to evaluate the quality of the company behind the website (Okazaki, 2005). The website is therefore very important in creating and maintaining the brand image of a company. As Merrilees and Fry (2002) explain, it makes sense to study companies' websites because that is where the "entire" corporation appears in front of you. The corporation's reputation and image is thus strongly affected by how customers use, interpret and feel the website.

The issue at hand is thus whether companies should standardize or adapt the corporate website. Levitt's (1985) prediction that all the world's markets and consumers would eventually converge into a "globalized market" has partly come true in some contexts, but far from everybody would agree that consumers around the world are moving towards unity. Although global companies standardize more and more, it is still very important to understand that consumers perceive and use products/services very differently around the world (Tian and Emery, 2002). Research has also shown that although the Internet is a worldwide phenomenon, it is not culturally neutral and as such cultural adaptation is still needed (Maddox and Gong, 2005). In any situation, whenever communication is included, the consumer uses his/her own cultural frame of reference to understand the information, and it should therefore be adapted to the specific culture of the target group (Tian and Emery, 2002). In addition, adaptation is necessary as colors, symbols and content are evaluated very differently around the world (Harrison-Walker, 2002). The corporate website, which primary function is a communication tool, should therefore be adapted to the local culture in order to avoid misunderstandings and cultural clashes.

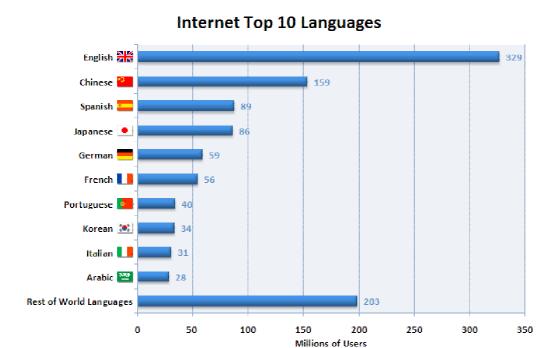


Figure 1 - Internet top 10 languages¹

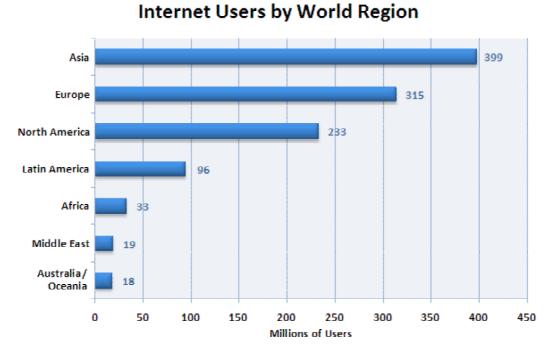


Figure 2 - Internet users by world region²

¹ http://www.internetworldstats.com/stats7.htm

² http://www.internetworldstats.com/stats.htm

1.2 Problem discussion

There are numerous problems that companies face when using the Internet as a communication channel. Very often it is a problem whether the company should adapt its website or not to a specific culture. Although the majority of people using the Internet do not have English as their native tongue, companies increasingly use English as their only website language. This standardization stretches across the entire website, with standardizations in functions, images, texts and products. If we follow Levitt's (1987) argument about globalization, it is clear that there are certain advantages of standardizing corporate websites: lower costs (no need for translations, local websites etc) and more coherent communication are two good examples.

However, Kale (2006) argues that communication always takes place in a cultural context, and therefore all communication should be adapted to its own specific setting. Communication takes place through cultural symbols that are assimilated and learnt within the culture, such as language, the accepted/non-accepted (taboos) and values. It is therefore important to recognize that people from different cultures will interpret and understand things differently when confronted with the same communication. Companies should therefore think twice before standardizing their websites, as the website has an important function in addressing these cultural issues.

Furthermore, many companies have yet explored the Internet's potential for brand building. Compared to traditional channels, the Internet offers many new ways to communicate with the consumers. Since many brands were established before the Internet age, there is a practical interest to see how companies use the relatively new possibilities of the Internet for their communication purposes. Additionally, the Internet also poses new opportunities for theoretical application. Since much of the culture theory today is based on cultural values observed decades ago, it is interesting to see how well it can be applied to this new online business environment.

1.3 The purpose of the thesis

We are interested in seeing the extent of cultural adaptation that companies undertake when creating their websites. By comparing Swedish and Chinese versions of websites, we wish to see from a company point of view how cultural differences and similarities have been addressed. Furthermore, there is a theoretical aspect of our study, and that is to evaluate whether culture theory (that will be mentioned in chapter two) can successfully be applied to the Internet environment.

1.4 Research questions

Research questions guide your work process and keep you in track concerning research methods, data collection and analysis (Bryman and Bell, 2002). By answering the research questions, we will also be able to fulfill our purpose with this thesis. From our discussion in the background and the problem formulation, we have decided on four research questions:

- 1. Have the companies adapted the Chinese and Swedish version of websites?
- 2. What are the functional elements on the websites?
- 3. What elements are culturally sensitive on the websites?
- 4. What elements are similar and/or different on the websites?

1.5 Limitations of the study

Limitations are necessary in order to keep our subject focused and limit the possibilities of misunderstandings, both for us as researchers and for the readers. We wish to make it clear that this study only concerns consumer goods companies with strong brands and well-developed websites. Due to time limitations and our cultural background, we will only focus on the Swedish and Chinese versions of the website. Furthermore, to narrow our scope and due to limited time and resources, we will only analyze information on the chosen websites, and we will not consider if and how the company further promotes itself on external websites (e.g. through advertising or promotions).

1.6 Possible contributions of this study

This study can increase our knowledge of how companies standardize/adapt their websites for the Swedish and Chinese markets. It will hopefully bring forward different website functions that the companies have emphasized in these two culturally different markets. Since there are many cultural dimensions that differ between Sweden and China, we will therefore be able to see how companies have addressed these differences. From a practical perspective, our findings may help companies understand the necessity for cultural adaptation in the website.

This thesis can also help us to deeper understand the theory that we have used. As we will use Hofstede's (1997) theories on the Internet environment, our study might reveal whether his dimensions are still valid or not in this new medium. Since his research was conducted many years ago without the existence of the Internet, it is interesting to see how valid his findings are to our chosen Internet elements as well as to evaluate the usefulness of his cultural dimensions.

1.7 Thesis outline

Chapter 1 – Introduction

This chapter gives an introduction to the subject and problem area. Furthermore, we will also present our purpose, research questions and contributions.

Chapter 2 – Theoretical framework

Based on our problem area, we have found a large amount of literature. Chapter 2 consists of the most relevant literature for our specific purpose. Here, we will present the different views in the problem area as well as argue for why we believe it is relevant for our research. We will finish this chapter with a conceptual framework that we will use for our empirical and analysis work.

Chapter 3 – Methodology

In the methodology chapter, we will shortly discuss our methodological reasoning and steps. We will also present our research method, and discuss the validity and reliability aspects of using this method. Finally, we will end this chapter with a short discussion about gender issues.

Chapter 4 – Empirical findings and analysis

In this chapter we present our empirical findings and analysis. We have used our conceptual framework to collect data, and will analyze our findings using the dimensions.

Chapter 5 – Conclusions and suggestions for future research

Our findings will be presented and discussed. We will also suggest issues that arose during our process for future research.

- CHAPTER TWO -

Theoretical Framework

We will begin the theoretical framework broadly with discussing how culture affects people's perception of different matters. We will then discuss different cultural dimensions and the similarities and differences between Swedish and Chinese culture. After the discussion about culture, we will discuss the brand communication process and how the Internet is used as a marketing channel and as a communication tool. There will also be a short discussion on standardization and adaptation. Finally, we will bring all theories together and present our own conceptual framework based on the discussions from theory.

2.1 Culture

Culture is a broad concept that is always an issue discussed in different international marketing studies. It is not an easy subject to summarize and define. However, it has been found that culture is of paramount importance and a critical success factor of doing business internationally. Although its importance for businesses, the culture research arena is fragmented and there are many different theories about how culture affects us as human beings (Gould, 2004). Many of these frameworks are seldom used today as a whole. Researchers often use other researchers' dimensions and values and complement it with their own. One example is Kluckhohn and Strodtbeck's five values orientation framework, which is not often used as a whole set, but instead the values are separated to fit other research purposes. Edward T. Hall (1973; 1976), John Condon and Fathi S. Yousef (1975), Harry C. Traindis (1988) and Shalom H.Schwartz (1994) also contributed to the culture study field by creating their own sets of values (Gould, 2004). However, Geert Hofstede's five cultural dimensions should be recognized as a standard set of cultural values theory, because this standard set is widely cited by many academic researchers in their studies for decades.

According to Hofstede (1980), culture is the collective programming of the mind and the interactive aggregate of common characteristic that influence a human's group response to the environment. Additionally, culture forms people's values and behavior, gives them their identity and shapes their actions. All human behavior, including market behavior, takes place within a cultural context. People, in a certain cultural group, have their own set of codes, signs, values and symbols that direct and justify human behavior (Harris and Moran, 1987). If marketers want a corporate website to be successful, he/she has to meet the consumer's values with the right cultural adaptation and with the right recognition/knowledge of different cultures.

2.1.1 Geert Hofstede's cultural dimensions

Geert Hofstede did a series of studies among employees of more than 70 national subsidiaries from IBM between 1967 and 1973³. After analyzing a large database of 11,600 surveys, he developed four primary conceptual dimensions to assist in differentiating cultures. These four dimensions are:

- 1. **Power Distance** the degree of people's tolerance of unequal distribution of power.
- 2. *Individualism vs. Collectivism* the degree of people integrated into the social structure. For example, in collective countries people integrate into closer social networks and people tend to have more group belonging and group loyalty, while in individualistic countries the ties between individuals are loose and people are expected to care for themselves.
- 3. *Masculinity vs. Femininity* masculine people tend to desire for material success and they favor assertiveness and competitiveness versus feminine people who enjoy quality of life and have modest behavior.
- 4. *Uncertainty Avoidance* the degree of people's tolerance of ambiguity or to which a society feels threatened by uncertainty or undefined situations.

After conducting an additional international study with a value survey instrument developed with Chinese scholars, Hofstede added a fifth dimension to his primary conceptual model called *Long-Term Orientation* vs. *Short-Term Orientation*. This fifth dimension is based on Confucian dynamism (the traditional Confucian values) and it applies to all Asian cultures. These cultures span across 23 countries around the world, which also included countries without a Confucian heritage ⁴ (For more descriptions about the five cultural dimensions, please see appendix 1 – table 1 to 5.).

2.1.2 Criticisms of Hofstede's cultural dimensions

Many researchers in the academic field as well as marketers in the commercial area appreciated Hofstede's cultural dimensions since the first publication during the 1970's⁵. Hofstede's ability to compare so many countries using the same dimensions has been widely recognized as a standard framework for cross-cultural analysis. However, there is criticism towards his dimensions. For example, Tony Fang (2003) questioned Hofstede's fifth dimension heavily. He argued that the fifth dimension was constructed on poor Chinese cultural knowledge on Hofstede's behalf, as his surveys were permeated with Western values, an argument also shared by Gould (2004).

³ http://www.geert-hofstede.com

http://www.geert-hofstede.com

⁵ http://www.itim.org/cv_geert.html

Therefore, Fang and Gould argue that this dimension can be biased and misleading. More criticisms were mentioned by Gould (2004):

- 1. Representativeness: Employees of a multinational company, like IBM, with pervasive and conservative corporate culture at those days are not representative of any national culture. Therefore, those respondents should not have been used as samples.
- 2. Unstable factors: The cultural values derived from the IBM employees spanned across several years, and it is argued that these values have changed over time since Hofstede began his studies in 1967. The behavior of people in many countries, especially Singapore, South Korea, Taiwan, and Hong Kong (the "Little Dragons" of Asian globalization), has also changed radically in the past 30 years due to the heavy industrialization and the integrated world economy. Hofstede has never expected the significant change of cultural values (factors of the study) over time.
- 3. Biased surveys: The sample sizes were not equal in every country, and therefore Hofstede interpolated heavily. Furthermore, the survey questions were based on Western values and conducted in English.
- 4. Redundant dimensions: Hofstede's two dimensions power distance and individualism vs. collectivism heavily co-vary and measure the same thing.

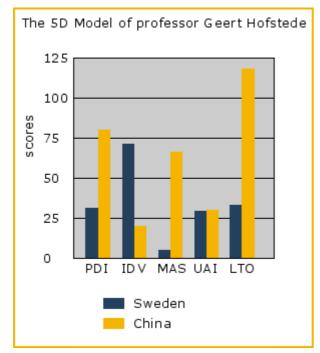
Fang (2006) also criticizes Hofstede's use of bi-polar dimensions, i.e. treating the dimensions as opposite extremes and mutually exclusive of each other. Fang argues that culture by nature is full of contradiction and change, and therefore is "both/and" instead of "either/or" for the different dimensions. A culture can thus embrace the two opposite ends of a scale, e.g. both feminine and masculine or short-term and long-term, depending on context and time.

Although there is much criticism of Hofstede's dimensions, his study was still the first one ever to systematically study culture relevant to the business and management fields (Ghauri and Cateora, 2005). In addition, his factors were based on well-accepted social science constructs. Some of his criticizers even developed alternative models that adopted some of Hofstede's dimensions. This further confirms the importance of Hofstede's research.

Also, we must note that there have been some dramatic changes in China the last decade, and most certainly there have been changes in the dimensions. For example, it is argued that there has been a movement towards more individualistic values in China, mainly because of increased capitalistic influence (Fang, 2003). However, there are two reasons why this will not change Hofstede's importance for our study. Firstly, since China is such a vast country, there is reason to believe that this change is mainly prevalent in the major cities, and that the average Chinese person is still a collectivist in his mind. Secondly, we are still only interested in the relative difference between Sweden and China. The indexes of the dimensions are therefore of lesser importance for us and we still consider it is valid to see these two countries as contrasting cases.

Because of the above reasons, we therefore choose Hofstede's five dimensions as the main framework for our cross-cultural analysis in this thesis.

2.1.3 Chinese and Swedish similarities and differences based on Hofstede's five dimensions of culture



| e Index |
|---------|
| n |
| |
| |

Source: http://www.geert-hofstede.com

| | PDI | IDV | MAS | UAI | LTO |
|--------|-----|-----|-----|-----|-----|
| Sweden | 31 | 71 | 5 | 29 | 33 |
| China | 80 | 20 | 66 | 30 | 118 |

Figure 3 – Index comparison between Sweden and China

a. Power Distance

The Power Distance Index (PDI) is very low in Sweden with an index of 31, while the PDI is high in China with an index of 80. Compared to other Far East Asian countries with an average index of 60, and the world average index of 55, China's PDI is significantly higher than the others. This indicates that China is of a high level of inequality of power and wealth within the society. However, because of the Chinese

heritage, this condition is widely accepted by the Chinese people⁶. It means that people in China tend to respect, obey and depend on the seniors or the people with more power. That is why organizations still have very tall hierarchies with many levels. On the opposite, there is a low index in Sweden. This indicates that the hierarchy in organizations is very flat. People treat each other as their equals, no matter the age, position or power in the family, group or society (Hofstede, 1997).

b. Individualism vs. Collectivism

In the individualism (IDV) dimension, the index of Sweden and China are 71 and 20 respectively. The Chinese has an index of 20, which is lower than any of the other Asian countries in the Individualism ranking where the average index is 24. This lower ranking is because of the close and committed member groups, such as family, extended family, or other extended relationships. Loyalty is of paramount importance in a collectivist culture like the Chinese one. This culture fosters strong and tight relationships where everyone takes responsibility for and cares for fellow members within their group. Compared to the Chinese culture, Sweden ranks relatively high with an index of 71 in IDV. This may be due to the religious belief of a country. Hofstede defined that if a country with over 50% of its population practicing some form of Christianity (other than Catholicism), is a predominantly Christian country. According to Taylor (2003), in these countries, it has been found that there is a strong correlation between religion and individualism. This indicates that predominantly Christian countries have a strong belief in individuality, with individual rights being of paramount importance in the society. An individual in these countries also tend to form a larger number of loose relationships than individuals from collectivist countries.

c. Masculinity vs. Femininity

Sweden is ranked the lowest in the Masculinity vs. Femininity dimension with an index of 5, which indicates that Sweden is an absolute feminine country compared to the rest of Hofstede's country list. Caring for others and preservation are the dominant values in this country and everybody is supposed to be modest. People in feminine cultures usually sympathize with the weak, and wish to enjoy a high quality of (work) life. Compared to Sweden, China's index of 66 gives it a position among the top 10 most masculine countries on the list. This figure shows that material success and progress are dominant values in this society, where money and possessions are important. There are also different expectations on men and women. Men are supposed to be assertive, ambitious and tough, while women are supposed to be tender and to take care of relationships. Moreover, individuals are very competitive, always measured against each other, and best performance is encouraged (Hofstede, 1997).

d. Uncertainty Avoidance

Sweden and China rank almost the same in the dimension of Uncertainty Avoidance (UAI). They have the indexes of 29 and 30 respectively, and valued as almost the 5

⁶ http://www.geert-hofstede.com 7 http://www.geert-hofstede.com

weakest countries in this dimension. In countries with low UAI index, people have great tolerance of innovative ideas and behavior and they are always motivated to do something by achievement, esteem or belongingness. People in China and Sweden therefore allow uncertain and ambiguous things to happen and they feel comfortable with unfamiliar risks compared to the other countries. Uncertainty is a normal thing to their daily life and open-ended learning situations with good discussions is always welcome (Hofstede, 1997).

e. Long-term vs. Short-term Orientation

In the Long-term Orientation vs. Short-term Orientation dimension, China ranks the highest with an index of 118. This dimension is a common denominator for all Asian countries as they all have high indexes. It indicates the society's time perspective and an attitude of persevering⁸. The Chinese have the ability to overcome obstacles with time, will and strength. In addition, persistence, thrift, having a sense of shame and ordering relationships by status and keeping this order are prime features. People in China also have high adaptation of traditions to a modern context as well as saving for later investment. They are concerned with respecting the demands of virtue and they are willing to subordinate oneself for a purpose. Contrary to China, Sweden's index of 33 is relatively low. Although Sweden situates in the middle among the 23 countries in Hofstede's list, the index of 33 is only one-third of China's index. Therefore, Sweden belongs more to the short-term orientation (Hofstede, 1997). In a short-term orientation culture, there is a pressure to keep up with others, high expectations on quick results and little focus on long-term relationships. Swedish people tend to respect their traditions, but they have a small savings quote and there is little money for investment.

2.1.4 The difference between high- and low-context cultures

In many Asian countries, the culture is high-context. In high-context cultures, there is less direct and explicit communication as the individual is supposed to interpret cues in the context of the specific situation. The context level has been identified as a key distinguishing feature between eastern and western culture (Okazaki and Rivas, 2002). In low-context cultures, communication is direct and clear with a strong emphasis on the explicit. Texts are usually wordy and factual, and leave no room for misinterpretation. In high-context cultures, there is an emphasis on symbols and descriptions, and not that much on facts. There is therefore a greater need for people to know and understand traditions, history and customs of a culture.

For example in China and Japan, the high-context is mainly about giving and keeping "face", a notion that can be explained "the respect to others and others' respect to oneself". One example might be when a host asks a guest to eat something the guest does not like. Instead of directly replying, "I don't like it", the guest will say that he has already eaten something and is already full. In a low-context culture, it would have

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⁸ http://www.geert-hofstede.com

been acceptable to kindly decline the offer, while in a high-context culture such a reply might have offended the host by not "giving face".

2.2 Brand communication process

To begin with, we should define what a brand is. There are numerous definitions of that, but one often cited definition is by Keller (1998), who defines a brand as, "... a set of mental associations, held by the consumer, which add to the perceived value of a product or service." This is a customer-oriented definition with the customer in focus, as the brand provides the customer with more satisfaction and value than a competing product. The brand adds perceived value (not to be confused with real value) and is often favored although a competing product is cheaper, i.e. consumers are willing to pay a premium for brands.

Okazaki (2005) defines a brand as, "what the consumer thinks and feels and visualizes when he or she sees the brand's symbol or name." In this definition, the brand is a visual stimuli used to elicit meaning. It can be a name or a logo, but the idea is that the symbol of the brand will draw out meaning independently. It also addresses the more emotional elements of a brand, as it is connected to thoughts and feelings of the consumer.

Ibeh et.al (2005) writes, "... branding is associated with creating value through the provision of a compelling offer and customer experience that keep satisfied customers coming back." This last definition deals with branding as a competitive advantage for businesses. It is only recently that brands have received real credit for its advantages, as it is very difficult to measure the brand's potential financial use. However, as research progresses, findings reveal that brands have close ties with customer relationships, building customer loyalty and creating sustainable competitive advantages (Kapferer, 2004).

Brands are very consumer-oriented in the sense that it is the consumer that "does the work" of creating the brand image. It is therefore important to highlight that there is a difference between an organization's brand identity and its image. *The identity* reflects the internal stakeholders' view, and *the image* is the external stakeholders' (Merrilees and Fry, 2002). The corporate brand identity is developed within the company and then projected to its external stakeholders, creating the brand image (Kapferer, 2004; Merrilees and Fry, 2002). The difficult part is to maintain a coherent communication to reach the desired image and it is also the most important part for projecting a positive brand. As can be seen in figure 4, there is considerable noise in-between that can alter the projected image, e.g. competition, community opinions and reviews (Ibeh et.al, 2005). Merrilees and Fry (2002) argue that since corporate brand building occurs both internally and externally, it implicitly means that all kinds of communication about a brand leads to brand building.

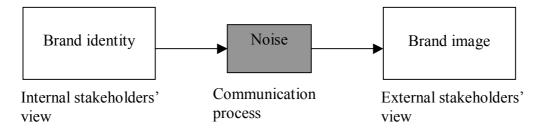


Figure 4 - The communication process

Some researchers put forward simple models that a brand is simply a visible, tangible element such as a name or logo, while other researchers delve deep into the intangible, discussing how brands in fact have personality, identity and emotional values (de Chernatony and Riley, 1997). Rowley (2004) argues that brands deliver different levels of meaning. This is due to the fact that brands are positioned and marketed to be associated and recognized with certain traits. Examples are luxury brands that are associated with quality, superiority and wealth, or low-cost brands associated with thrift, value for money and function. In all instances, the brands have traits associated to them that can be related to their identity and personality (Kapferer, 2004).

In the online world, there is much that speaks for brand building. Much research has evolved around the brand being connected to a certain product or service. In the online environment, there are very few physical cues to reinforce the brand image of a product, and there is therefore a greater focus in creating communication between the company and the consumer (Rowley, 2004). However, many researchers have pointed out that the Internet has not fully been utilized for this purpose, as many web designers concentrate on fancy websites packed with functions that are not necessarily user friendly or even wanted (Ibeh et.al, 2005; Rowley, 2004). Ibeh et.al (2005) argue that instead the consumer should be in focus, but at the same time the brand should permeate the website and make use of technology instead of vice versa.

2.3 The internet marketing channel

Many researchers have highlighted that the Internet has become an important way for doing business in our contemporary society (Okazaki, 2003; Harrison-Walker, 2002; Constantinides, 2002; Gay et.al, 2007). The unparalleled development and growth of the Internet has created new markets, transformed competition and even spawned entire new industries. Starting out as a small military project in the US, the Internet now has over 1 billion users and is still growing. It is thus straightforward to say that the Internet has changed from being just an "additional marketing channel" to transforming traditional marketing concepts and ways of doing business (Gay et.al, 2007). One of the big opportunities is clearly the ability to reach out to hundreds of millions of people only a click away.

But why has the Internet become such a hit? Kimiloglu (2004) argues that it is because of the flexibility of the Internet. With the help of IT technology, even a small firm can compete with large firms, something quite impossible in the real world. When it comes to the virtual world, the rules of competition are altered and companies must seek new strategies to survive (Kimiloglu, 2004). As soon as a small company creates a website, it is instantly competing with the same means as larger firms (although it is up to the firm to build and maintain the website).

The following sections describe the advantages of using Internet as a marketing channel to communicate with consumers. We have chosen to include these because they are commonly argued to be exclusive and important for the Internet medium, and also because they will help us later on in formulating our conceptual framework.

2.3.1 Customization and personalization

This is one major difference between traditional forms of media and the Internet. The ability for the consumer to customize and personalize his/her experience of the website is important as it gives the consumer more power to influence the end results. This also gives a higher satisfaction as research has shown that consumers have a more positive attitude toward websites that allow the content to be customized (Kimiloglu, 2004). However, there is a debate whether there is a limit to the extent of customization. Kimiloglu argue that there are some products and services that consumers prefer standardized and homogenous. If everything should be personalized and customized, there would also be enormous costs for companies, as every customer would have their own specific website. Customization also includes allowing the consumer to change the content of a website. Examples are news sites that let you choose interesting news to update regularly and online stores that let the shopper search products according to different criteria. Most importantly, it empowers the users so that they can see and experience what they really want. This gives them a feeling of being in charge of things, and this can be positive to the website image (Christodoulides and de Chernatony, 2004).

2.3.2 Bringing consumers and producers closer

On the Internet, it is only a click between the producer and the consumer, although they in reality may be on different continents. The Internet is also the only media where the customer can actively seek out the producer, thus reducing the needs for brokers. The Internet also offers the convenience of price comparisons between stores, linking the consumer to the cheapest store offering the wanted product. Therefore, there are some suggestions that online stores will gradually take over the retailing industry (Gay et.al, 2007). However, this is not likely to happen as most shoppers do not only consider price the only important element when shopping (Ibeh et.al, 2005). For many people, the experience of going to a shopping centre includes several other purposes, such as

meeting other people, going with friends and also the ability try the goods before purchase (Kimiloglu, 2004). However, with the increased use of communities, forums and chat rooms, people can still meet with others to discuss their experiences. In the community, people with common interests can discuss, review and comment on new product launches, functions and values of a brand (Christodoulides and de Chernatony, 2004; Kozinets, 1999). The speed of word-of-mouth in these communities can strongly affect the brand image.

2.3.3 Interactivity

One of the greatest advantages of the Internet is the possibility for interaction (Varadarajan and Yadav, 2005). Many researchers have found that interaction is crucial for the "online shopping experience" or "virtual experience" (Constantinides, 2004). This interaction is a differentiating dimension between physical shopping and online shopping. In a well-developed and planned online environment, the consumer can change the experience to his/her liking, e.g. by sorting out products that are of interest, quick search for products or compare prices between different stores. The Internet offers entirely new ways of interaction that is not possible in the real world. This interaction is not only limited to online selling environments, but information sites such as weather reports, news and sports can also be customized and adapted by consumers (Constantinides, 2004).

Varadarajan and Yadav (2005) argue that interactivity is important both for firms and consumers. Starting with the firm-consumer relationship, they believe that interactivity on websites is the first step in moving away from the one-way communication that is prevalent on the web. The increased use of electronic communication tools by consumers will also result in consumer being more aware and active in their relations with companies. By engaging consumers and creating intimacy, the website moves closer to becoming a tool for managing customer relationships, a finding also observed by Constantinides (2004).

The other level is consumer-consumer interactivity. This is important in situations where consumers can gather and express themselves, e.g. in chat rooms, forums and online communities. Especially the online communities are gaining importance for businesses as the community members' opinions, word-of-mouth and reviews often can have an impact for the success of a product (Gay et.al, 2007). This consumer-consumer level acknowledges that interactivity in many forms involves a social activity, and Varadarajan and Yadav argue that successful companies recognize the commercial and social roles that communities have. Kimiloglu (2004) also touches upon this issue, mentioning that when consumers come together in discussion forums, the attention and attitude against products can have a significant impact on the image of the brand.

There is also interactivity that involves the consumer, such as games, downloads, movies or participation in contests. All of these activities belong to the total website experience, and reinforced with the brand it is also considered a brand building effort.

The activities reinforce the relationship between the brand and the consumers and seek to promote long-term loyalty (Kimiloglu, 2004).

2.3.4 The information advantage

The Internet offers an incomprehensible vast amount of information. This enables consumers to almost have perfect information, a concept that is well known within marketing. According to Porter (1979), the strategic advantage of a firm is eroded f the consumer has too much information. With the Internet as a tool, the consumer can therefore gain an upper hand. However, the Internet is also a strong channel for companies to promote themselves and update their websites continually. The website is also accessible 24/7 from anywhere (Breitenbach and Van Doren, 1998). However, the downside with the Internet is that it demands that the consumer actively initiate the relationship. Unlike traditional media such as TV or radio, the Internet requires that you log on from a computer and stay engaged.

2.3.5 Website design and communication

The website's design is very important as it should have a nice appeal to the consumer and at the same time offer functionality. Christodoulides and de Chernatony (2004) consider the site design element to be very important in brand building, as it is a major part of the experience of the website. The design is also important when adapting information to different cultures. Good design does not only mean a pleasant website, but the communication should also be appropriate.

Okazaki and Rivas (2002) argue that there is much to notice when designing a good website. Firstly, the language should be adapted. Swedish being based on the alphabet is straightforward and there is little room for misinterpretation, while Chinese words are made up of characters that each has a meaning itself. This combined with the high context of the Chinese culture, makes Chinese a language that can be very deceiving (Melewar et.al, 2004). Many companies that enter China very often take on a Chinese name, as it is easier for the Chinese to remember the meaning of the characters in the name rather than the name itself (Melewar et.al, 2004). Secondly, images and texts are important for the website. Okazaki and Rivas (2002) attach power distance and context meanings to these, arguing that in high power distance and collectivist cultures it is normal to depict social classes or groups of people. In individualist cultures there is a greater emphasis on the individual and personal achievements (Okazaki and Rivas, 2002; Melewar et.al, 2004).

Finally, colors are important to adapt because they may have different meanings in different cultures. For example, white is a color of mourning in China, while it is a color of weddings in Western countries. Red is one of the most popular colors in China because it represents happiness, cheerfulness and love (Melewar et.al, 2004). When it

comes to images, the Chinese are very fond of perceptions of nature and natural forms, and do not appreciate abstract art in the same way that Westerners do. Images should also be harmonic and peaceful, due to the cultural roots with Confucianism, Buddhism and Taoism. Peaceful images are therefore very popular in advertisements, such as images of lakes, mountains and forests. Associations to these elements are also very often found in brand names and trade marks as it evokes pleasant feelings (Melewar et.al, 2004).

2.4 Standardization or adaptation of communication

The debate whether to standardize or adapt involves many parts of an organization, e.g. products, processes and communication. Communication is frequently one of the most difficult ones to address. Without proper communication (advertising, promotion, information etc.) it is obviously difficult to sell your goods/services.

There are of course strong arguments for both sides. Proponents of standardization argue that humans are humans, and basic needs are similar everywhere. This is a very basic approach that does not take into account various consumer nationalities and cultures. These researchers claim that notions such as "efficiency", "quality" and "superiority" are equal everywhere you go, and communication that can address this is therefore enough. Also, it is argued that consumer tastes and cultures are converging, something that Levitt (1987) proposed be part of globalization. Standardization is also argued to be a source of competitive advantage. When standardizing, companies gain economies of scale, and thus resources are released to other places in the organization (Madhu, 1995). As the website is a main communication tool for many companies, there is a strong cost saving incentive as the company can minimize costs of translation, adaptation and creation of new websites. For many companies, a standardized website also means that there is a coherent and similar image wherever the consumer may be. Cost efficiency may be one of the main reasons why practitioners actually employ standardization more often than not, while academics propose the adaptation approach (Madhu, 1995).

The adaptation approach propose that companies should take into account not only the cultural differences among consumers, but also the stage of economic and industrial development, stage of product life cycle, media availability, and legal restrictions in the current country (Madhu, 1995). Every country, and its consumers, has its own conditions and companies should therefore address these in every possible manner. Aviv (1996) argues that adaptation is equally as strategic as the cost incentive mentioned above: by adapting your communication, companies can maximize sales and profits by positioning their products/services differently in separate markets, according to competition and market structure. Aviv also goes on to say that the economies-of-scale argument is imperfect, and that there are greater hidden costs that should be addressed, e.g. the differences in culture, physical environment, marketing institutions, and legal restrictions between the home and host market.

Aviv (1996) proposes that in the new world economy where mass-customization is developing quickly, there is no other way to compete than to adapt your communication. He brings forward three critical points for successful adaptation:

- 1. The message must be meaningful in terms of the experience of the people
- 2. The message must fit the desires and ambitions of the people
- 3. The message must not offend sensitivities

These three factors are closely related to the research of Kale (2006), which takes into account the cultural facets of the communication as the most critical ones. Kale argues that websites carry a great potential in addressing cultural issues because of their integrated ability to adapt and change much easier than other forms of communication. In his opinion, *culture is communication*, and the website is just one of many mediums to communicate with. As pointed out before, it is mainly academics that propose adaptation as the ultimate guide to successful communication. However, there is a third approach that takes a more moderate view, the contingency perspective. This approach takes the middle ground in the debate, and states that adaptation and standardization should be made wherever possible; in other words, only after careful planning and analysis of the different elements of the communication and culture, the company can choose to adapt some bits and parts that are culturally sensitive and standardize what is left (Madhu, 1995).

2.5 Bringing together the theory and creating our conceptual framework

Based on the literature, we have created two categories that are important when addressing cultural issues on the website: *interactivity* and *communication*. As discussed extensively by Okazaki (2005), Constantinides (2004), Christodoulides and de Chernatony (2004), interactivity is the main advantage of the Internet and therefore a critical category for cultural issues. Inside interactivity, we have chosen *discussion forums*, *personalization/customization*, *playful entertainment and service features* as prime elements that are considered culturally sensitive. As we will soon discuss, each element can touch upon several cultural dimensions, and not just a single one (see figure 5).

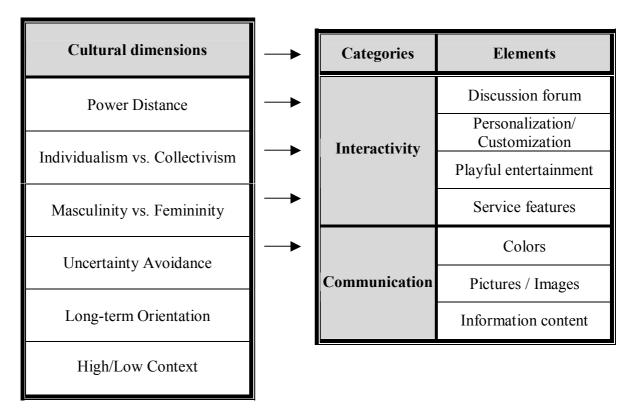


Figure 5 – Conceptual framework for analyzing websites

Discussion forums can be culturally sensitive as Chinese consumers are much more sensitive to word-of-mouth than Western consumers (Melewar et.al, 2004). In these discussion forums, the atmosphere and tone will reveal many of the cultural dimensions: hierarchy among participants, writings and images can all be connected to culture. It is also argued that discussion forums have collectivist functions because it brings together people and lets the individual share his opinions and thoughts with other people (Okazaki, 2004).

Personalization/customization is argued to be a sign of individualism. In individualistic countries like Sweden there is a strong tendency to customize and personalize products, while in China many people look for standardized products (Okazaki, 2004). Melewar et.al (2004) puts forward this as the main reason for why Dell has been so successful in Western countries, but fails to capture market share in China. The idea to fully customize your computer is coherent with the cultural values in West, while consumers in East prefer to buy standardized products. This option also refers to changing how the website looks, i.e. the consumer can affect the content that is shown. On some websites, there is specific information that is shown only after you log in, which also indicates a customization function.

Playful entertainment is an example that Coupland et.al (2003) mention to be important for communication. As this element include various functions as games, downloads and competitions, it reflects how integrated and engaged the consumer is with the website. In Coupland et.al's study, it was found that websites with playful and engaging features create a positive brand image for consumers. Furthermore, downloading music, ringtones, and images from the company website may signal a long-term relationship to the company as it shows that the consumer wishes to engage over a longer period of time. One example is when consumers repeatedly visit a website to play new games or download updated material. The nature of the entertainment can also reveal cultural traits, e.g. if a game is intended for individual use or if it is to be played together with friends.

Lastly, the *service features* of a website is included because it represents the additional value added by the company. Since websites cannot include physical products, it is important that it offers services instead. Services are here defined as various functions that help the consumer in its endeavors, e.g. feedback mechanisms (such as online queries or live chat with representatives), price comparisons and Q&A/FAQ (questions and answers / frequently asked questions). Okazaki (2004) argues that in cultures with a high level of uncertainty avoidance, people are characterized by a low tolerance of ambiguity and are more prone to act as rigorous information seekers when encountered with a task. This can influence the website visit as these people seek out information and help much more than people who are more tolerant of ambiguity.

In the second category, communication, we have chosen to include *colors*, *pictures/images* and *information content*. As we mentioned previously, *colors* are important because some colors have different meanings in different cultures. A lack of understanding of the meaning of colors can lead to misinterpretation and may even offend people, especially for Eastern countries like China. One example is the color

green that has a very special meaning in China: Chinese men would never imagine wearing a green hat as the expression "wear a green hat" means that a man's wife is cheating on him. It is also very rude to give a birthday gift that is entirely white, since it represents death and funerals in China. The most popular color is red and it is always used for celebration purposes (e.g. weddings, birthdays etc.) Red is believed to bring good luck and happiness. In Western countries like Sweden, people do not attach the same meaning to colors like in China. There are usually no colors that are really offensive, but Swedish people like things simple and functional and therefore light and natural colors are the most popular ones.

Pictures and images are very important as these two can show connections to several cultural dimensions at the same time. Images that depict group structures and family gatherings usually try to draw out collectivist values, whereas images of single persons or competitions refer to individualistic values (Okazaki and Rivas, 2002). Also, as discussed earlier, the Chinese appreciate pictures of nature and scenery and do not like abstract images as much as Western people, and there are certain colors that are more attractive than others. However, we are aware of that there are pictures and images that are very neutral. When searching for these elements, we will look for a symbolic meaning that is related to our cultural issues discussed earlier. In other words, we will only consider pictures and images that have a culture-related contextual meaning.

The *information content* is all the text and information that is present on the websites, and we have also included the adaptation of language in this element. The language on the website is important for consumers as it is considered to be a risk-minimizing factor. Many consumers also prefer navigating the web in their own language (Harrison-Walker, 2002). Quite often, these consumers tend to click away when encountered with a website that is not in their native tongue. Furthermore, we wish to see if the brand names or slogans have been translated or not. This is very important for Chinese consumers because a brand name should reflect the company's values and at the same time offer meaning to the consumer. One example is Coca-Cola's Chinese name "ke-kou-ke-le" which means "tasty and happy". Chinese consumers put a great deal of emphasis on the brand name, as it is mostly the meaning behind the name they remember rather than the name itself (Melewar et.al, 2004). Additionally, slogans are very good for reminding consumers about the company's promises and offers.

Other parts of the information content element include product descriptions, company information and presentation etc. This element is very broad, and will probably yield many observations. Since culture is communication (Kale, 2006) there will be many cultural dimensions embedded in the texts. Texts are also more transparent than the other elements, and we will hopefully easier find cultural characteristics.

As we have shown, the cultural dimensions are present in almost all elements of a website. Figure 6 shows the whole process of how global brands create positive brand image through the communication process. This figure shows how cultural factors influence the Internet channel/ functions in the communication process and this is the main focus in this thesis. Based on the discussions in the theory, we believe that the functions of the Internet and the cultural dimensions are determining factors for the communication process of the company.

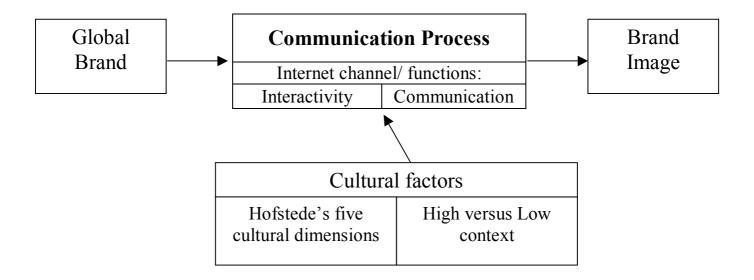


Figure 6 – The communication process is affected by the different cultural factors

- CHAPTER THREE -

Methodology

This methodology section will discuss our steps to finding the appropriate research method. We will start broadly with a discussion about general methodological choices, and narrow it down with arguing for our specific choice of method. We will also discuss the drawbacks of our chosen method, and conclude with a discussion on gender aspects.

3.1 The deductive and inductive approaches

When conducting research, there are two general approaches: the deductive approach and the inductive approach. The deductive approach starts with the notion that the researcher already has some knowledge about the research area and the theoretical literature in this field. With this background, the researcher then creates a research problem that is subjected to empirical scrutiny. The opposite stance is the inductive approach where the researcher instead starts with an empirical study in order to generate theory. As we have already studied a great deal of Internet marketing and culture studies literature before embarking on this thesis, we feel that we have adopted the deductive approach. However, it is important to point out that most researchers are not fixed to one specific approach. After our empirical study, we will try to feed our findings back into the theoretical base, something that Bryman and Bell (2003) refers to as *revising theory*. This revision is in itself an inductive process, and in most research, researchers use the two approaches to complement each other (Easteryby-Smith et.al, 2002).

3.2 Methodological choices

As our purpose is to study whether companies take into account cultural differences when creating their websites in Sweden and China, it is important that our research method fits our specific research area. As the theory shows, cultural differences are very nuanced and subjective, and there are several ways to study it. Based on the theory, we believe that a qualitative study is most suitable to bring forward these nuances. It is a common misconception that the research problem automatically reveals the specific research method needed, but the appropriate choice of research method should be guided by the totality of methodological choices, and as such there is no single right method for any research problem. Researchers very often use several methods to complement for losses in reliability or validity inherent with research methods (Easterby-Smith et.al, 2004).

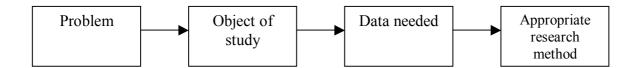


Figure 7 - Finding the appropriate research method

Referring back to our stated research questions in the introduction chapter, we can formulate our thoughts to reaching the appropriate research method:

- ► Have the companies adapted the Chinese and Swedish version of websites?
- What are the functional elements on the websites?
- What elements are culturally sensitive on the websites?
- ➤ What elements are similar and/or different on the websites?

Problem – Our problem is to understand how companies have culturally adapted their websites in order to create an effective communication. Based on our previous discussion in the theory section, we argue that cultural factors together with the Internet elements of interactivity and communication have an effect on the communication process. We wish to see how the companies have adapted their websites, and to see what Internet elements are relevant for cultural reasons. For this problem, we have chosen to use a qualitative perspective in order to create a richer interpretation of the companies' adaptation.

Object of study – We wish to see how companies have adapted the communication on their websites. As such, we will collect and analyze website elements that we think have a need for cultural adaptation. These elements have already been decided through our conceptual framework.

Data needed – The data needed is the cultural relationship that the elements contain. In some elements, such as images, this could mean a picture showing a family, thus revealing collectivistic values. Our data is therefore within the different elements on the websites. By analyzing these elements, we can see what are different/similar between the Swedish and the Chinese culture in the online environment.

Appropriate research method – Based on our previous discussion, we have two methods to choose between: the interview method or a qualitative content analysis method. However, we found the interview method inferior to the latter because of two reasons. Firstly, interviews would result in data that would not suit our purpose. As we wish to see how they have adapted their communication, an interview would be too deep and have more exploration on why they have adapted it. Secondly, it is very difficult to access managers and specifically the people that were behind the adaptation. In addition, since we also wish to study how companies have adapted their Chinese websites, it might even be impossible to find the right people to interview.

The qualitative content analysis is more suitable because it lets us as researchers use our framework and knowledge to actively interpret and analyze how the companies have adapted their websites. It is therefore a method that produces useful data. Also,

using a content analysis method means that it is easy for us to access information as all the websites are public. The qualitative content analysis method will be discussed in more detail in the next section.

3.3 Research method: the qualitative content analysis

As just discussed through the different steps in figure 7, we have chosen to use a *qualitative content analysis* research method. Based on our research questions, we believe this method fits our purpose the best, as we will be able to see if the companies have adapted their websites or not.

A content analysis implies that the researcher does an analysis of the available material's contents (Bryman and Bell, 2003). It is commonly used to analyze texts in order to find patterns, ideas and concepts. Also, the analysis of pictures and conversations fall under content analysis, and as such it is a popular method for cultural studies. Because you can use it to analyze many different types of documents, it is a highly flexible method that can be customized to your specific research. In our case, our material will be the websites and its contents.

Content analysis is often used with quantitative methods. The researchers categorize the interested phenomena and calculate the frequency that these categories appear in their texts. This is based on the belief that words and phrases that occur most frequently reflect important concerns in every communication (Krippendorf, 2004). Moreover, it is used to see if there are relationships between different variables in the studied material.

In a qualitative content analysis, there is a stronger focus on intentionality and its implications. Krippendorf (2004) argues that content analysis is very useful for making inferences about the antecedents of communication, which fits our purpose perfectly. Instead of using the frequency of words to establish relationships, the qualitative method focuses on creating an understanding of texts and images. For our purpose, we will be able to see cultural traits in different elements on the websites, and we can see if and how the companies have tried to communicate this to the consumer.

3.3.1 The methodological process

We have created a figure to depict the methodological process of a content analysis method (figure 8). This figure also shows our overall process of the thesis. As you can see, the content analysis is a deductive method that starts with a gathering of relevant theory. This theory serves as the base for which you choose the relevant phenomena to study. In our case, the theory consists of various theories within cultural studies, Internet marketing and brand communication.

The second step is selecting the dimensions that are relevant for the study. This is done both for quantitative and qualitative content analysis. What is important here is that you need to categorize the phenomena so that it becomes possible to analyze the document (in our case the website). If this is not done, it is impossible for the researcher to confine him/herself to include what to study. We have therefore created our conceptual framework (figure 5) where we have chosen the most culturally relevant elements based on the theoretical discussion.

The analytical work of the content analysis method is then to study the documents. You look for the categories you defined, and analyze the elements found within the categories. With a quantitative method that would perhaps imply counting occurrences, but in our qualitative work we will try to draw cultural traits from the elements on the websites.

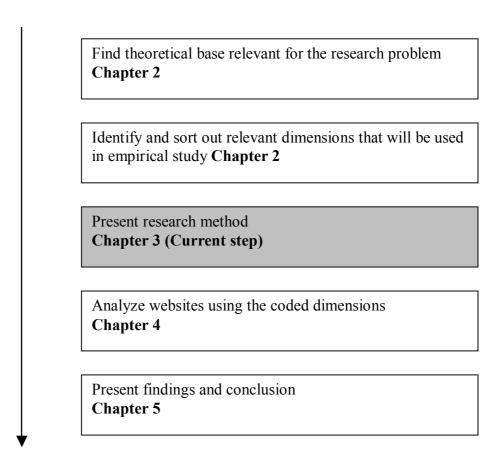


Figure 8 – Our methodological process

3.4 Clarifying the research object

When conducting website analyses, the major ambiguity is the definition of a website (Okazaki, 2002). We therefore wish to make clear that it is the entire corporate website that is subject to analysis. Very often, only the home page (first page of the website) is analyzed as to limit the scope and workload (Okazaki, 2002; Okazaki, 2005). However, since this thesis focuses on the entire communication of a website, we will follow links within the website as long as they do not direct to any outside websites (such as Internet portals or other company websites). Also, when consumers use the Internet, they do not only linger around on one page, but instead they click around and experience the totality of the company's web offer (Constantinides, 2004). Therefore, all kinds of visual objects within the corporate website, such as text, statements, discourses in the discussion forum and pictures, will be the data for us to observe and to collect.

3.4.1 Choosing the websites

As we are interested in how companies culturally adapt their communication, we argue that there is no need to statistically choose a sample of company websites. The main importance is that the website contain some sort of communication, and almost all corporate websites fulfill this criteria. Nevertheless, in order for us to actually observe something of importance, we wish that the website is at least well developed in the sense that it has information and shows some signs of cultural adaptation.

Further, we wish to limit ourselves to consumer goods/services only. This is done because of two reasons: firstly, our theory is derived from a consumer perspective. Our understanding of communication in this thesis is strictly limited to how consumers perceive the websites. Secondly, our conceptual framework is based on consumer dimensions and consumer usage of the Internet. Including business-to-business companies would therefore mean an alteration of our dimensions and elements or adding of others.

We therefore choose six different companies that live up to our criteria. The number of websites is, again, not statistically decided, but just a reasonable number considering our limited time and scope of this thesis.

Summarizing our criteria:

- The company produces consumer goods / services
- The company has international presence and is internationally recognized
- They have well-developed corporate websites both in China and Sweden (i.e. there is an array of functions in order to include the interactivity dimension we will examine).

After a search on the Internet (various portals, news sites and search engines), we found six companies that fit our criteria:

- 1. Nescafé
- 2. Samsung
- 3. Lipton Tea
- 4. Ikea
- 5. Coca-Cola
- 6. Citibank

Although Nescafe and Lipton Tea are product brands, we do not see any troubles with this. The focus is still on the communication on the websites, and they have excellent websites that will hopefully generate many observations.

3.5 Gender aspects

Gender roles are always surrounding us and it is difficult for researchers to ignore these. Men and women have different roles in society, and they also have different ways of interpreting information, especially when it comes to cultural issues, e.g. concerning taboos, family priorities and values. We have to be aware of these differences since our research involves observations of culture on the different websites.

It is necessary to recognize that gender roles are inherent in culture and thus very hard to bypass. It is therefore not our own wish to project and describe gender roles, but we only state what is a fact; in some cultures, gender roles are much more clear-cut than in Sweden, and male and women simply do not have the same status in society. What we can do is to be aware of these differences, and try not to let cultural references guide our analysis. However, by mixing male and female observers in the data collection and analysis process, we will minimize the risk of misinterpreting attitudes and values that are bound to a specific gender (Tannen, 1995).

3.6 Criticism of research method

3.6.1 Reliability

Reliability is often divided into two parts: *internal reliability* and *external reliability* (Bryman and Bell, 2003). *Internal reliability* deals with the consistency of the collection and analysis of empirical data. In research which involves several researchers, it is common that the people involved are trained in the specific data collection methods before embarking on data collection, in order to gain greatest consistency in the data (Okazaki, 2002). It is difficult to argue that we have stayed

consistent all the way, but we have done our best in discussing and agreeing before drawing conclusions. Also, we collect and analyze all data together to ensure that we agree on the different elements and dimensions.

External reliability refers to the replication of a study (Easterby-Smith et.al, 2002). This is an important criterion to address in qualitative research, as the researcher is always heavily involved in the process. The findings and analysis of the study will always be a reflection of the researcher's background, age and pre-conceptions. Therefore, the best way to increase external reliability is by describing every step in our data collection process and also how we interpret and analyze the data. We will attach as many of the images and texts that we feel are relevant for our study, in order to give the reader a full picture of our interpretations and analyses.

Overall, the reliability of our thesis is enhanced by the fact that it is a deductive research process derived from theory. Also, the conceptual framework is formulated using well-established theories, and our systematic approach will make it easy for others to follow our different steps and reasoning.

3.6.2 Validity

There are two validity criteria that we wish to discuss for this study: *external validity* and *internal validity*. *External validity* deals with the generalizability of the study. This concerns how well the study's findings can be generalized to the larger population. In our study, this would mean that we try to generalize our findings to all companies that have Chinese and Swedish websites, something that is quite impossible. As we have taken a qualitative stance, our objective has never been to statistically generalize to a population of companies, but instead gain deeper insight into how companies create their websites with regards to culture. Instead, our study may provide certain generalizability to the theory that it is derived from (Bryman and Bell, 2003).

The *internal validity* is concerned with whether we measure what we are supposed to measure. This is important when using content analysis, since one inherent flaw with this method is that your analysis will only be as good as the material that you study (Krippendorf, 2004). This is an issue that users of secondary data need to address, but as we use mainly primary sources (i.e. the companies websites) for our analysis, our material is relevant and useful. However, in our case, internal *validity* also refers to the dimensions that we have discussed and whether these actually represent what we believe they do. This is accounted for by including support from previous researchers in this field who have employed a quantitative approach to culture studies.

- CHAPTER FOUR -

Empirical findings and analysis

In this chapter we will start by presenting a short summary of our findings that we collected using our conceptual model in chapter two. Following, we will present the different elements and analyze them using the theory discussed in chapter two.

4.1 Introduction

Starting out on the companies' websites, we made sure that both versions (the Swedish and the Chinese) were open on both our computers. The websites were analyzed during a period of one week in May 2007, and we have saved the front page of each to illustrate the overall image of them (see appendix 2). According to Bryman and Bell (2003), websites are continuously updated and changed and it is therefore important to save them either on a computer or in printed form.

We collected the data together so that there were no misinterpretations regarding the different elements on the websites (as discussed in the reliability section). However, we found that it is sometimes difficult to categorize the elements on the website according to our model since they appear in various forms. We have therefore created a summary of the different elements we have collected in table 1.

| Elements | Elements in various forms | | |
|-----------------------------------|--|--|--|
| Discussion forums | Discussion forums, blogs, chat rooms, other shared user-created content | | |
| Personalization/ Customization | Options to personalize the website, login to own customized webpage, options to customize products | | |
| Playful entertainment | tainment Downloads (games, ringtones, images etc.), online games, music/picture/video sharing | | |
| Service features | Q&A / FAQ section, contact addresses, online queries, online chat (with employees), sitemaps | | |
| Colors | Colors that are culturally sensitive | | |
| Pictures / Images | Pictures and images that show symbolic meaning (i.e. there is relation to culture) | | |
| Information content | Language, brand names, slogans, product descriptions, company information, articles, reviews | | |

Table 1 - Summary of categories and elements

4.2 Empirical findings and analysis

Using our conceptual framework, we created one table for the Swedish websites and one for the Chinese ones. These can be found in appendix 3. We then used these tables to record the occurrence of various elements on the websites. Table 2 shows the summary of our findings. Following, we will specifically analyze each element and discuss its relation with the cultural dimensions. Furthermore, we have chosen only to present examples that we consider "culturally affected", i.e. elements that visibly contain a connection to any cultural dimension. Following this part, a conclusion will be based on the overall impression that we got from the websites and our analysis, so we will not discuss each website specifically.

| Elements | Swedish websites | Chinese websites | | |
|-----------------------------------|------------------|------------------|--|--|
| Discussion forums | 0 / 6 | 4 / 6 | | |
| Personalization/ Customization | 2 / 6 | 5 / 6 | | |
| Playful entertainment | 3 / 6 | 3 / 6 | | |
| Service features | 6 / 6 | 6 / 6 | | |
| Colors | 3 / 6 | 2 / 6 | | |
| Pictures / Images | 3 / 6 | 6 / 6 | | |
| Information content | 6 /6 | 6 / 6 | | |

Table 2 – Summary of the occurrence of culturally adapted elements on websites (summarized from appendix 3)

4.2.1 Discussion forums

As can be seen in table 2, not a single company uses discussion forums on their Swedish websites, but 4 out of 6 has implemented this feature on the Chinese websites. This indicates that the majority of the companies have acknowledged the Chinese collectivistic values and also taken a long-term orientation towards their consumers. The consumers use the forums to express opinions, share product information and chatting. This shows that the discussion forum is an effective and attractive communication platform for the Chinese consumers to interact with each other and to exchange information. This is well in line with the Chinese social life, which revolves around the group instead of the individual, and it also enforces Hofstede's (1997) theory that the Chinese is a very collectivistic society. People care a great deal about the opinions of their peers in their social group, and the discussion forums enable them to strengthen ties within the group. At the same time, the lack of discussion forums on the Swedish websites also strengthens Hofstede's findings, showing that there is a stronger focus on the individual in this culture.

Inside the discussion forums, we also saw signs of company involvement. This was mostly in the form of initiated discussions about specific products, e.g. "which Nescafé coffee is your favorite?" and "Who is your next cup of coffee? (This is a pun referring to the expression "one's cup of tea", i.e. something or someone that you like or is interested in. In this discussion, consumers talked about people they like and whom they would like to drink coffee with.) The information provided by the consumers could almost be called market research as it enables the company to understand the consumers better. The discussion forum is therefore not only an interactive tool for the consumers, but also a way for the company to reach out to consumers. This shows that on the Chinese websites, the interaction is present on both the consumer-consumer level as well as consumer-company level (Varadarajan and Yadav, 2005). This involvement is a sign of a long-term commitment to the consumers, because the company needs to allocate resources to update the discussion forum and maintain the relationship with the consumers. The lack of discussion forums on the Swedish websites could indicate that there is a more short-term relationship between the company and the Swedish consumers. The companies may not have fully realized the relationship potential that a discussion forum can create, but this may also be due to cultural factors that the consumers do not wish to engage over the long-term.

We noted that the discussion forums were very popular channels to discuss products. As proposed by Melewar et.al (2004), the Chinese are very sensitive of word-of-mouth. When we compared the discussion forums of the different companies, we found that there were many more posts about products on Samsung's website than the other ones. As buying a mobile phone or TV involves more uncertainty than buying a cup of coffee or tea, it seems that these personal reviews or product experiences act as first-hand information for many consumers. As the product information on the website is provided by the company, the reviews and discussions in the discussion forum is the "real" experience from another consumer and therefore seen as more convincing. The

word-of-mouth in the discussion forums may therefore be very important for the Chinese in their purchasing decisions.

4.2.2 Personalization / Customization

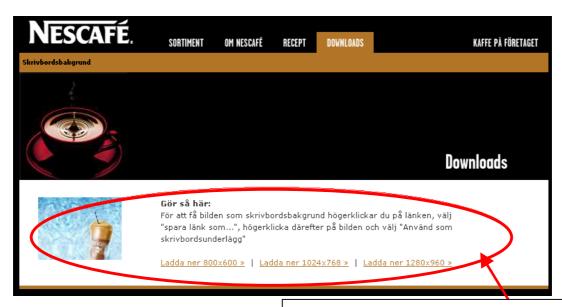
On the Chinese websites, there are 5 out of 6 websites that let the consumer to personalize/ customize the website. This is usually done through logging in with a user name and password in order to access a personalized website which contains customized information, messages, specialized news and information regarding your purchases or services with the company. The customization function also enables the consumer to access a lot more information than if he/she has not logged in. For example on Nescafé's website, you have to login to your own page if you wish to play games and get access to the discussion forum. The login also grants you benefits such as promotion codes, coupons and discounts for your next purchases, and this in turn may promote a positive brand image (Kimiloglu, 2004).

On the Swedish websites, only 2 out of 6 websites let the user personalize their visit. The functions that were accessed here are almost the same as the previously discussed, with the exceptions of the discussion forums (since no Swedish websites had one). We found ourselves surprised by the lack of customization on most of the Swedish websites, because we expected the opposite results. Based on Okazaki's (2004) argument, people in individualistic cultures tend to prefer customized services and products, while those in collectivistic cultures prefer standardized services and products. Moreover, with reference to Hofstede's indexes, Sweden is a very individualistic country relative to China. It is therefore surprising to find that there are more customization elements on the Chinese websites. This could be a result of the Chinese moving towards more individualistic values because of the rapid economics development (Fang, 2003).

However, this element can be analyzed from two perspectives. Seen from a individualism versus collectivism perspective, there seems to be an incongruency between our findings and Okazaki's argument. However, from a long-term orientation versus short-term orientation perspective, we can assume that the companies employ a customization element mainly for retaining and involving the consumer. Many functions on the websites such as discussion forums, games and downloads are only shown after the consumer has logged in. The customization element thus works as a tool for creating and maintaining a relationship, rather than just letting them customize what is to be shown.

4.2.3 Playful entertainment

For this element, the result was the same: on both sides, 3 out of 6 websites contained some sort of playful entertainment included in table 2. Although the numbers are equal. it should not be interpreted as the companies have given equal weight to the element in both cultures. Although many of the elements were similar, such as downloading music, background images, ringtones and playing online games, we saw that there were major differences between the characteristics of these. The Swedish websites only had a very limited line of entertainment, while the Chinese websites had a much greater variety of playful entertainment. On the Swedish websites, the games were simple and few in number, and downloads were usually limited to a few ringtones or images (Nescafé had only one downloadable background image, but we included it anyways since it is one form of entertainment. You can see their website below in image 1). The games also seemed quite generic and not adapted to the brand or company. This can be seen as a shortcoming from the companies' side, since Coupland et.al (2004) argue that games can enforce and strengthen brand image, assumed that it has a connection with the brand. On the Swedish Coca-Cola website, the games were actually borrowed from another popular game website. The lack of variety and adaptation of the games could be an indication that the companies yet again have taken a short-term view of this element, as they do not see it as something that the consumer could really engage him/herself in.



There are only 3 different resolutions of the same wallpaper for consumers to download.

Image 1 – The Swedish Nescafé entertainment assortment⁹

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⁹ http://www.nescafe.nu/downloads.html



Image 2 – The entertainment section of the Chinese Nescafé's website¹⁰

On the other hand, the Chinese websites hosted an array of games, downloadable images, ringtones and music (see image 2 above). On the Chinese Nescafé website the consumers could even learn English online and share book and movie reviews. The games were also well adapted, and both Lipton and Nescafé had tailor-made games that showed their logos and products, usually in the form of characters holding a cup of

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¹⁰ http://www.nescafe.com.cn/corner/index.asp

coffee or tea (see image 3 below). The Chinese games were also more advanced and comparatively long lasting than the ones on the Swedish websites. We believe that this could be a result of the company wishing to involve the consumer a longer time and also to linger around longer on the website. The broad range of games also made sure that the consumer would not get tired of a specific game and leave the website.



Image 3 - One of the Lipton games¹¹

It seems that the function of this element is therefore quite opposite in both cultures. On the Swedish websites, we get the impression that the entertainment is inserted because it is seen as a necessity to make the website seem more fun and lively, rather than using it is a way of retaining the consumers on the website. There seems to be no long-term goals with this element. On the opposite end, the Chinese websites use this element extensively and consumers could be stuck for hours playing games and downloading things. There is clearly a goal from the companies to use this element for a long-term commitment. The entertainment element also enhances and boosts the users' experience of the website and this can lead to loyalty (Constantinides, 2004).

And again, we can see collectivism values in this element. Some Chinese games needed a second person to play with, such as quizzes and competitions. On the Chinese Nescafé website you could also practice English with a friend and share your book and movie reviews with other users. This closely resembles the use of the discussion

¹¹ http://www.lipton.com.cn/Forums/

forums, but with the difference that you could download the English lessons and reviews. On the Swedish websites, most of the games were made for individual use.

4.2.4 Service features

All the websites, both Chinese and Swedish, have included some sort of service feature on their website. As discussed in the theory section, we defined service features as a complementary service that is supposed to lower the amount of uncertainty met by consumers in the Internet environment. We would therefore expect to find low level of services offered on the websites, since both China and Sweden score very low in this dimension (Hofstede, 1997). It was therefore surprising to find a large amount of service features on both the Chinese and Swedish websites.

However, the range of services varied from a mere email address to the company's support department to customized online queries. Generally, the Swedish companies had lower levels of services than the Chinese ones and most often just presented the company email and telephone number. Relatively seen, this could indicate that the Swedish has lower uncertainty avoidance than the Chinese, which is the case according to Hofstede's indexes (1997).

The service also differed in terms of activeness and interaction. On the Swedish websites, the offering of a phone number or email address implied that the consumer him/herself had to contact the company, while on the Chinese websites it was usually much more extensive and the consumer would be guided to the desired answers. This could be a sign of greater individualism in Sweden opposed to a higher degree of dependence in China that exhibit collectivism.

It was most striking to see that IKEA, which is a Swedish company, had the most comprehensive service features out of all companies. IKEA's Swedish website also had the highest degree of interactivity when it comes to service. The Swedish IKEA website included a "virtual employee" named Anna that could answer your questions (see image 4). After a few test questions we concluded that it worked really well, and this is a sign that IKEA has really taken advantage of the interactivity possibilities that the Internet offers.

Image 4 – Meet Anna, IKEA's virtual employee¹²





4.2.5 Colors

We found cultural adaptation of colors on 3 out of 6 Swedish websites, and on 2 out of 6 Chinese websites. However, we noticed quite quickly that colors are not of any major cultural concern for all companies because they almost all use colors that are associated with the brand. Out of all six companies' websites, Samsung, Lipton, IKEA and Citibank used exactly the same colors on both the Swedish and Chinese version. The colors were the same on both versions because they probably wanted to boost brand awareness and recognition, as the theme of the website serves as a constant reminder of the brand. Although Lipton's designs of the websites were different, all we could see was a clear yellow to reinforce the Lipton tea color. Citibank and Samsung both had similar designs on their websites, and used colors that reminded the consumer about the companies.

So how can we say that Lipton, IKEA and Coca-Cola adapted the colors for their websites (appendix 2)? Starting with IKEA, we know that it is a Swedish company and therefore probably knows this culture the best. Although they too used the same strategy as just discussed, i.e. brand colors throughout the website to reinforce brand image, the IKEA logo's colors are yellow and blue – exactly like the colors of the Swedish flag. One can argue that this is a sort of "cheating" because it is not really adapting the colors, but it is inarguably Swedish-friendly colors. Also, we only analyze the websites to see if the companies have adapted it or not, and we cannot conclude whether it is intentional or not. That is why we have only chosen to mark IKEA as adapted for the Swedish website and not for the Chinese one.

For Nescafé and Coca-Cola, there are color differences between the Swedish and the Chinese websites, so we can argue that the colors at least have been changed. On both Chinese websites, the most notable color was red. Red is a very appreciated color for the Chinese as it means happiness and good luck, and the websites really radiated a great deal of these. For Nescafé's website, which is entirely in red, this also shows that they have adapted the colors to the Chinese market also on a product level. When we compared the Chinese Nescafé products with the Swedish ones, we noticed that the logo was most often red in China while black in Sweden. The background of the Swedish website was therefore almost entirely in black.

For Coca-Cola, the Chinese adaptation is probably also coincidental with the fact that the Coca-Cola logo is red. However, we discovered that the Chinese website contained some high-context cultural references. When loading up, two golden kites fly across the screen before showing the Coca-Cola front page. Kites have a long history of artistic value in China, and kite-flying is considered to be good for your health. Furthermore, the choice of color is also cultural: gold is a lucky color as it reminds the Chinese of money and fortune, and it is a common



Image 5 – Golden kites on Coca-Cola's website

color for luck when doing business (see image 5¹³). It is also a color that often goes hand in hand with red as it also means happiness. The chosen number of two kites also symbols duality, which is considered lucky in Chinese culture: double luck, double happiness, double love etc.

The adaptation of the Swedish Coca-Cola website was less visible. Our argument is that of relativity: the Chinese website was colorful and very conspicuous, and comparing with the Swedish website, the latter was toned down a great deal on all of the colorful features. This is probably because of the Swedish preference of calm and natural colors.

4.2.6 Pictures and images

For this element, we found cultural adaptation on all Chinese websites, and on 3 out of 6 Swedish websites. Generally, the Chinese websites contained many more images than the Swedish websites. One reason could be that the Swedish websites are generally simpler and plainer than their Chinese counterparts.

Starting with the Swedish websites that we think did not adapt their images (Nescafé, Samsung and Coca-Cola), we chose refer to them as unadapted because most of their images did not show any signs of cultural references. These websites mainly had images showing their products, with no real relationship to the Swedish culture it was in. Their images were very generic and could have been placed in any cultural context without any problem.

The Swedish websites that showed adaptation were Lipton, Citibank and IKEA. Here again, IKEA may have "cheated" because of its Swedish heritage. However, images and pictures no doubt showed Swedish people in their homes, and therefore we labeled IKEA as adapted. IKEA was also the only website that showed signs of femininity and low power distance. In image 6¹⁴, there is a picture of a man standing in the kitchen preparing food for his



Image 6 – Femininity and Low Power distance

children. This is a sign of femininity as the gender roles are reversed compared to that of the Chinese culture. There is also a low power distance because it shows great equality between men and women (although she is not in the picture). In the feministic and low-power distance Sweden, this image does not draw any attention. However,

¹³ http://www.coca-cola.com.cn/

http://www.ikea.com/ms/sv SE/virtual catalogue/online kataloger.html

when we compared to the Chinese website, there could be a strong contrast between the two cultures, because women are always expected to do all the household works. In addition, we could not find anything similar images on the Chinese IKEA website.

We also saw signs of the individualism dimension mainly through images depicting individuals in the Swedish websites, as opposed to Chinese images depicting couples, groups or families. On Lipton's website, people were always alone when drinking tea, and it seems that the company wished to convey the message that tea should be enjoyed in privacy (see image 7). This is entirely the opposite for the Chinese culture, as drinking tea in China is always a social event. In Cantonese, the expression *yum cha* (drink tea) has a similar meaning to the Swedish *fika* (take coffee break), and it always implies that you bring someone along. You therefore always drink tea with other people, such as a friend or family in Chinese society. The individualism dimension could also be found in many of the images on Citibank's website which showed individual consumers as users of their services. Citibank's images also showed a short-term orientation through their promotion for travel loans, which will be discussed in more detail later on in the information content section.



Image 7 – Lonely tea drinking in Sweden¹⁵

On the Chinese websites, we clearly saw signs of collectivism and long-term orientation in the images. The images almost always showed Chinese people engaging in different activities, and a common theme for many websites was to use natural scenery, something that the Chinese like very much (Melewar et.al, 2004). Examples of these are Samsung's and Lipton's background images (images 8, 9 and 10). If you look closely, you can see a red kite in Samsung's background, which again hints on high-context information.



Image 8 – Samsung's natural scenery background¹⁶

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¹⁵ www.lipton.se/Lipton-SE/se-2006/



Image 9 – Samsung's natural scenery background¹⁷



Image 10 – Lipton shows both nature and long-term orientation ¹⁸

Lipton's image also shows long-term orientation. The tea plant is a metaphor for the growth and development of the company, and there is also a text that states the future goal for the corporation.

IKEA's image show typical signs of collectivism as it shows the entire Chinese family together (see image 11). Although family pictures also occur on the Swedish website, the thing that is most notable is the inclusion of a grandmother which is typical Chinese. In Chinese culture, younger people must pay a great deal of respect to elders, and the eldest son is usually the one that must provide for his parents when they grow old. It is therefore not uncommon to find several generations living together under the same roof.

¹⁶ http://china.samsung.com.cn/

¹⁷ http://club.samsung.com.cn/index.asp

¹⁸ http://www.lipton.com.cn/site/index2.html



Image 11 – Image that show sign of collectivism in IKEA website¹⁹

One thing that we did not see on the Chinese images is that of power distance. Okazaki and Rivas (2002) argued that in high power distance cultures such as China, there are usually pictures depicting social classes and inequalities, but we did not find anything resembling these.

We would also like to argue that although there is not a great deal of discussion on the Swedish websites' image adaptation, the small amount of images on the Swedish websites could indicate femininity. One typical characteristic is that of modesty, and Sweden is very renowned to have a concept called "lagom". Loosely translated, this Swedish term means modesty but could be applied to all situations, e.g modesty in food, modesty in money etc. The simple design and few images could therefore be the companies' way to adapt to this modesty. When comparing to the Chinese websites, who are usually cluttered in images, one can argue that the Chinese websites are predominantly masculine.

4.2.7 Information content

Overall, the information on all websites in both Chinese and Swedish has been customized to fit the local market. Promotions, campaigns and products were different, and therefore also the information attached to these. In this information, we found several cultural differences.

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¹⁹ www.ikea.cn

On the Swedish Citibank website, much of the information was about their loan services. They encouraged the consumer to use them as a second bank so that they could enjoy lower interest rate. Much of the information also promoted loans to finance traveling and shopping, two activities that we consider very short-term. It is apparent that Citibank has adapted their message well to cater to the Swedish people's short-term needs.

therefore The contrast is enormous when we look at the Chinese Citibank website. Almost all the information is "reversed": here, it is all about savings rates and savings accounts, and there is no focus on spending money like on the Swedish website. The general



Image 12 – Citibank 10-years saving plan promotion

message is that savings are necessary for your and your children's future, and there is a long-term orientation thinking with the services offered (see image 12²⁰). Whenever the term "loan" is mentioned it is always in connection with very important decisions, e.g. buying a house/apartment or starting your own business (see image 13²¹). Totally opposite to the Swedes, it is almost unthinkable for a Chinese to borrow money in order to be able to travel.



Image 13 – Citibank loan promotion for buying a house – long-term orientation

We also noted that all companies have adapted their websites to the local language. The language adaptation is important for the consumer as it reduces uncertainty (Melewar et.al, 2004) and retains the consumer on the website (Harrison-Walker, 2002). For

 $\underline{http://www.citibank.com.cn/CNGCB/APPS/portal/loadPage.do?path=/prod/cat_land/Insurance.htm\&tabI \\ d=Insurance$

 $\underline{\text{http://www.citibank.com.cn/CNGCB/APPS/portal/loadPage.do?path=/prod/cat_land/Loans.htm\&tabId=} \underline{Loans}$

²⁰

²¹

natural reasons, no translations of the brand names have been made for the Swedish website, but all names have been translated for the Chinese websites. This is probably because the Chinese are not as comfortable reading in English as the Swedish.

One common feature that many websites have is that of slogans. A slogan is an easy way for consumers to remember a promise or a business idea. However, we noticed that the use of slogans varied between the Chinese and Swedish websites. The Chinese slogans used many more cultural references, as opposed to the Swedish slogans that mainly worked as a promotional tool. Here are a few examples:

IKEA

Swedish: *Ingenting \(\ar ar om\(\overline{o} \) jligt! = Nothing is impossible!*

Our interpretation of this slogan is that nothing is impossible for the individual; designing your own kitchen, buying inexpensive and new furniture, decorating your home etc. It seems to refer to the wants and dreams of a single person rather than a group; therefore we interpret this as a sign of individualism.

Chinese: 生活,从家开始! = Living/life starts from home/family

As discussed in the theory section, Chinese is a very complex language and words can take on many meanings. This slogan has two meanings that luckily are well in line with IKEA's concept. IKEA has successfully connected traditional Chinese home/family values with a good life/living that the company can offer. There is a clear emphasis on the family/home, thus following collectivistic values closely.

Samsung

做中国人民喜爱的企业,贡献于中国社会的企业

"Being the Chinese people's most favorite corporation. Being the corporation that contributes to the Chinese society."

Samsung's slogan is very powerful and well in line with the CSR activities that the company also undertake extensively (this will be discussed later). Again, we see that Samsung appeals to the great mass and the society as a whole by addressing collectivistic values.

Citibank

明日財富成長,我們一同創造!

"We create tomorrow's wealth together."

Citibank's slogan has signs of collectivism and long-term orientation. It draws from collectivism by that the bank together with the consumer creates wealth, and also in the long-term by saying "tomorrow", which the idea about long-term orientation has been discussed at the beginning of this information content section.

Nescafe

1 杯好味道,1 刻真振奮 1 段擺脫忙碌的歡樂時光

"Drink a cup of delicious coffee, a time of inspiration - Take a happy break from the busy work."

According to Hofstede (1997), one major difference between feministic and masculine culture is how *work* is perceived (see appendix 1). In feministic culture you work to live, i.e. work is only a means to live well, while in masculine cultures you live to work, i.e. your life should be dedicated to working. Nescafé's slogan has clearly been adapted to the Chinese masculine culture by referring to the busy work that characterizes the culture.

One thing that we found special for the Chinese websites is the strong mentioning and promotion of corporate social responsibility (CSR) activities. This was very common on the Chinese websites, but less common on the Swedish websites where IKEA was the only one with a section about their CSR activities. Analyzing this type of information, we found that it shows signs of both collectivism and femininity. This is one of the drawbacks of Hofstede's dimensions as it sometimes measures the same concept (Gould, 2004). For the Chinese masculine culture, is CSR a sign of collectivism or a movement towards more feministic values? In Sweden's individual culture, is CSR a movement towards collectivist values? We argue that CSR has a feministic foundation because it is a concept that was first seen in Western society, and perhaps adopted by the Chinese as Western companies established themselves in China. We therefore argue that CSR can be seen as feministic in Sweden, while seen as a collectivistic concept in China.

In collectivistic cultures the strong should always take care of the weak and there is a wish to do things for a greater cause. Relationships are strong and tight in the social group and people prioritize the group before themselves. CSR does exactly this because many activities involve helping the elderly, educating orphans and fundraising for poor people. However, CSR can also be related to femininity because one of the main

characteristics of a feminine culture (like Sweden) is caring for others. There is also less focus on wealth and material success, sympathizing with the weak and wishing for a simple and rich life in the form of experiences. One can thus argue that CSR activities is a step in this direction because it changes people's opinion that a company should only generate profit and not giving anything back to society. The promotion and education of CSR therefore aim to show that the company has taken an active social role in helping others in the society.

Nevertheless, we found that there were some differences in the promotion of CSR between Sweden and China. On the Chinese websites, there were many activities that involved taking care of elderly, something that was not existent on the Swedish websites. Because of Confucian teaching, elders are the ones that built the family and society, and therefore we should take care of them with great respect. There were also images and promotions of the companies' employees going to orphanages, retirement homes and fundraising activities. In general, it seems that CSR in China is about involving the employees as much as possible, while in Sweden it is mainly about the company donating as much money as possible.

- CHAPTER FIVE -

In this chapter we will have a conclusion that summarizes the main points of the whole thesis and there will be a session for bringing more suggestions of future research.

5.1 Conclusions

Going back to our purpose of this thesis, we have studied how companies adapt their communication on their websites. As can be seen from our empirical data, it was clear that most companies adapt their websites both for the Chinese and the Swedish culture, although to a lesser extent on the Swedish websites. Our chosen cultural dimensions served as an excellent foundation for measurement, and by using our conceptual framework we could find several relations with the different cultural dimensions.

Starting with the Chinese websites, it was obvious that there was a long-term orientation towards creating a relationship with the consumers. The collectivistic values that permeate the elements are also typical Chinese, and it shows that the company has adapted their communication. We believe that the Chinese websites offer more focus on the relationship between the company and the consumer. Generally, there was a great use of the Internet's main advantage, interactivity. As Varadarajan and Yadav (2005) argue, this is the most important element as it expands the one-way communication that is usually present on websites. It creates more room for the consumer to experience the company and the communication message, and it was apparent that the consumers engaged in these long-term activities. The existence of discussion forums and entertainment support this argument, as these elements offer both collectivistic characteristics and relationship building advantages (Kimiloglu, 2004).

On the Swedish websites, we see that the focus is entirely on the individual and there are no particular elements that allow the consumers to interact with each other. Referring to Hofstede's (1997) findings, this is not strange because Sweden is a very individualistic country compared to China, and therefore the companies have adapted their communication to support this trait. Another typical Swedish dimension was that of short-term orientation, and this was visible through the lack of interactive elements such as personalization/customization and entertainment. We conclude that the Swedish websites worked mainly as a short-term promotional channel instead of creating and sustaining any consumer relationships.

Regarding the content on the websites, this was adapted well on both Chinese and Swedish websites, with the Swedish websites again lagging behind a little. Most companies have adapted their content well, but it seems that the Chinese websites have directed their communication towards very traditional Chinese values of collectivism and family importance. The Swedish websites again communicated individual desires

and ambitions. Referring back to Aviv (1996), both the Swedish and Chinese websites have been successfully adapted since the communication is meaningful to the consumer, fits their desires and wants and is not offensive. We can therefore state that the adaptation in the online environment is very important for the brand building process of a company. Many of the companies are positioned differently, sell different products and market themselves differently depending on target groups and markets, and by adapting their websites to each market they can increase the effectiveness of the communication. As we have seen, the websites bring many opportunities for relationship creation, retention of customers and brand experience building – all very important matters for creating a positive brand image for the company.

By using our conceptual framework, we could collect and analyze data in a systematic and effective way. However, during our analysis process, we discovered that some elements and dimensions were more difficult than the others to analyze, and might be considered redundant for future use. In the website elements, we found that the service element was very confusing. Our assumption was that in cultures with strong uncertainty avoidance, there would be extensive service features to cope with uncertainty. Therefore, we would expect very low levels of service features on the Swedish and Chinese websites as these cultures have very weak uncertainty avoidance. However, as our findings revealed, the use of service features is probably not to cope with uncertainty, but rather to complement the offering of the company. We therefore believe that the relationship with uncertainty avoidance is not strong enough to encourage the use of this element in a potential future study. When it comes to the cultural dimensions, the most difficult dimension to find was the high-/low-context dimension. The only observation was the Chinese kites on Coca-Cola's website. We believe that the limited observation of this dimension is due to the fact that highcontext information relies a great deal on the "real-life" interaction between the sender and receiver, e.g. in a conversation or a meeting. The information consists of implicit cues that are sent back and forth, and is therefore difficult to observe on a website.

In our problem formulation in chapter one, we intended to see whether Hofstede's cultural dimensions were still relevant for the Internet environment. Based on our observations on the websites, we discovered many characteristics that Hofstede argued were distinctive for both the Chinese and the Swedish. Hofstede's theory allow us to easily and systematically sort out data and analyze it, and we therefore argue that his cultural dimensions are still valid in this setting because of its ease of use and systematic approach. However, Hofstede's theories are not entirely without flaws. As Fang (2006) argued, there is a great deal of paradox in a culture, and this was apparent in some cases when we had difficulties interpreting our observations. Sometimes it was difficult to see if a deviate observation was due to a change in a dimension, or if it really measured something else. Hofstede's argument that a culture is stable and fixed is therefore not convincing. Culture should thus be treated as something that is dynamic and ever changing (Fang, 2006).

5.2 Suggestions for future research

During our process, we discovered that we cannot explain why the company has chosen not to do cultural adaptation on some elements in the website. It would therefore be relevant for future research to perhaps involve the company more actively, e.g. by interviewing companies or following their website creation process. By doing so we will gain a greater understanding of the choices that the company makes. The need for a good website is ever growing, and the need to adapt for a changing Internet population is growing even faster.

Another suggestion for future research is to reverse the perspective: instead of studying how companies adapt their website, it would be interesting to see how the consumers actually interpret the websites. As the market constantly changes, the consumers change as well and it is difficult to know what works or what does not. As Rowley (2004) argued, too many web designers put too much energy and resources into websites that people do not like or use, e.g. by cluttering it with images, sounds, chunks of text etc. There is already a considerable amount of waste on the Internet, and by understanding their consumers better, companies can create better, optimized and more effective websites.

Lastly, it would be interesting to highlight differences between other cultures besides the Chinese and the Swedish. Although Sweden is a very small culture relatively to China, we have learnt a great deal about both cultures. Hofstede's cultural dimensions served as an excellent tool for accomplishing this, but as we already pointed out it has some drawback that one needs to be aware of. For the most ambitious researchers, we would suggest that they revise and update Hofstede's dimensions to more current cultural values.

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- APPENDICES -

Appendix 1 – Hofstede's five cultural dimensions

Table 1 - Key differences between small and large power distance societies

| Small power distance | Large power distance | | | | | |
|--|---|--|--|--|--|--|
| Inequalities among people should be minimized | Inequalities among people are both expected and desired | | | | | |
| There should be, and there is to some | Less powerful people should be | | | | | |
| extent, interdependence between less | dependent on the more powerful; in | | | | | |
| and more powerful people | practice, less powerful people are | | | | | |
| | polarized between dependence and counterdependence | | | | | |
| Parents treat children as equals | Parents teach children obedience | | | | | |
| Children treat parents as equals | Children treat parents with respect | | | | | |
| Teachers expect initiatives from students | Teachers are expected to take all | | | | | |
| in class | initiatives in class | | | | | |
| Teachers are experts who transfer | Teachers are gurus who transfer personal | | | | | |
| impersonal truths | wisdom | | | | | |
| Students treat teachers as equals More educated persons hold less | Student treat teachers with respect Both more and less educated persons | | | | | |
| authoritarian values than less educated | show almost equally authoritarian values | | | | | |
| persons | ·· ·· ·· · · · · · · · · · · · | | | | | |
| Hierarchy in organizations means an | Hierarchy in organizations reflects the | | | | | |
| inequality of roles, established for | existential inequality between higher-ups | | | | | |
| convenience | and lower-downs | | | | | |
| Decentralization is popular Narrow salary range between top and | Centralization is popular | | | | | |
| bottom of organization | Wide salary range between top and bottom of organization | | | | | |
| Subordinates expect to be consulted | Subordinates expect to be told what to | | | | | |
| r | do | | | | | |
| The ideal boss is a resourceful democrat | The ideal boss is a benevolent autocrat | | | | | |
| | or good father | | | | | |
| Privileges and status symbols are | Privileges and status symbols for | | | | | |
| frowned upon | managers are both expected and popular | | | | | |

Table 2 - Key differences between collectivist and individualist societies

| Collectivist | Individualist | | | | | |
|--|--|--|--|--|--|--|
| People are born into extended families | Everyone grows up to look after | | | | | |
| or other ingroups which continue to | him/herself and his/her immediate | | | | | |
| protect them in exchange for loyalty | (nuclear) family only | | | | | |
| Identity is based in the social network to | Identity is based in the individual | | | | | |
| which one belongs | | | | | | |
| Children learn to think in terms of 'we' | Children learn to think in terms of 'I' | | | | | |
| Harmony should always be maintained | Speaking one's mind is a characteristic | | | | | |
| | of an honest person | | | | | |
| High-context communication | Low-context communication | | | | | |
| Trespassing leads to shame and loss of | Trespassing leads to guilt and loss of | | | | | |
| ace for self and group | self-respect | | | | | |
| Purpose of education is learning how to Purpose of education is learning | | | | | | |
| do | learn | | | | | |
| Diplomas provide entry to higher status groups | Diplomas increase economic worth and/or self-respect | | | | | |
| Relationship employer-employee is Relationship employer-emp | | | | | | |
| perceived in moral terms, like a family | contract supposed to be based on mutual | | | | | |
| link | advantage | | | | | |
| Hiring and promotion decisions take | Hiring and promotion decisions are | | | | | |
| employees' ingroup into account | supposed to be based on skills and rules only | | | | | |
| Management is management of groups | Management is management of individuals | | | | | |
| Relationship prevails over task | Task prevails over relationship | | | | | |

Table 3 - Key differences between feminine and masculine societies

| Feminine | Masculine | | | | | |
|---|--|--|--|--|--|--|
| Dominant values in society are caring | Dominant values in society are material | | | | | |
| for others and preservation | success and progress | | | | | |
| People and warm relationships are | Money and things are important | | | | | |
| important | | | | | | |
| Everybody is supposed to be modest | Men are supposed to be assertive, ambitious, and tough | | | | | |
| Both men and women are allowed to be | Women are supposed to be tender and to | | | | | |
| tender and to be concerned with | take care of relationships | | | | | |
| relationships | | | | | | |
| In the family, both fathers and mothers | In the family, fathers deal with facts and | | | | | |
| deal with facts and feelings | mothers with feelings | | | | | |
| Both boys and girls are allowed to cry | Girls cry, boys don't; boys should fight | | | | | |
| but neither should fight | back when attacked, girls shouldn't fight | | | | | |
| Sympathy for the weak | Sympathy for the strong | | | | | |
| Average student is the norm | Best student is the norm | | | | | |
| Failing in school is a minor accident | Failing in school is a disaster | | | | | |
| Friendliness in teachers appreciated | Brilliance in teachers appreciated | | | | | |
| Boys and girls study same subjects | Boys and girls study different subjects | | | | | |
| Work in order to live | Live in order to work | | | | | |
| Managers use intuition and strive for consensus | Managers expected to be decisive and assertive | | | | | |
| Stress on equality, solidarity, and quality | Stress on equity, competition among | | | | | |
| of work life | colleagues, and performance | | | | | |
| Resolution of conflicts by compromise | Resolution of conflicts by fighting them | | | | | |
| and negotiation | out | | | | | |
| | | | | | | |

Table 4 - Key differences between weak and strong uncertainty avoidance societies

| Weak uncertainty avoidance | Strong uncertainty avoidance | | | | |
|--|---|--|--|--|--|
| Uncertainty is a normal feature of life and each day is accepted as it comes | The uncertainty inherent in life is felt as a continuous threat which must be fought | | | | |
| Low stress; subjective feeling of well being | High stress; subjective feeling of anxiety | | | | |
| Aggression and emotions should not be shown | Aggression and emotions may at proper times and places be ventilated | | | | |
| Comfortable in ambiguous situations and with unfamiliar risks | Acceptance of familiar risks; fear of ambiguous situations and of unfamiliar risks | | | | |
| Lenient rules for children on what is dirty and taboo | Tight rules for children on what is dirty and taboo | | | | |
| What is different, is curious | What is different, is dangerous | | | | |
| Students comfortable with open-ended learning situations and concerned with good discussions | Students comfortable in structured learning situations and concerned with the right answers | | | | |
| Teachers may say 'I don't know' | Teachers supposed to have all the answers | | | | |
| There should not be more rules than is strictly necessary | Emotional need for rules, even if these will never work | | | | |
| Time is a framework for orientation | Time is money | | | | |
| Comfortable feeling when lazy; hard-working only when needed | Emotional need to be busy; inner urge to work hard | | | | |
| Precision and punctuality have to be learned | Precision and punctuality come naturally | | | | |
| Tolerance of deviant and innovative ideas and behavior Motivation by achievement and esteem or belongingness | Suppression of deviant ideas and behavior; resistance to innovation Motivation by security and esteem or belongingness | | | | |
| or belongingness | belongingness | | | | |

Table 5 - Key differences between short-term and long-term orientation societies

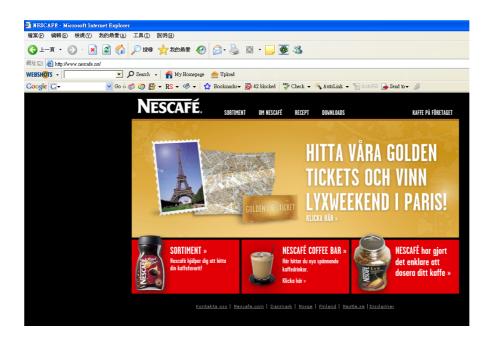
| Short-term orientation | Long-term orientation | | | | |
|---|---|--|--|--|--|
| Respect for traditions | Adaptation of traditions to a modern context | | | | |
| Respect for social and status obligations regardless of cost | Respect for social and status obligations within limits | | | | |
| Social pressure to 'keep up with the Joneses' even if it means overspending | Thrift, being sparing with resources | | | | |
| Small savings quote, little money for investment | Large savings quote, funds available for investment | | | | |
| Quick results expected | Perseverance towards slow results | | | | |
| Concern with 'face' | Willingness to subordinate oneself for a | | | | |
| Concern with possessing the Truth | purpose Concern with respecting the demands of Virtue | | | | |

Appendix 2 – Companies' website front pages

Nescafe



Source: http://www.nescafe.com.cn/



Source: http://www.nescafe.nu/

Samsung



Source: http://www.samsung.com.cn/



Source: http://www.samsung.com/se/index.htm

Lipton



Source: http://www.lipton.com.cn/Oasis/index.html



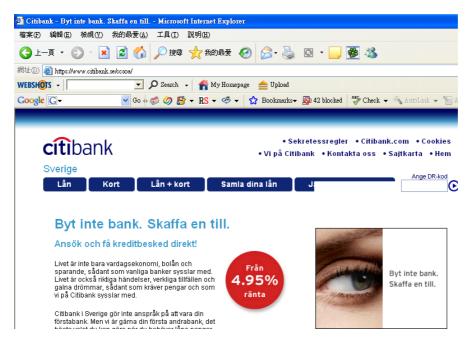
Source: http://www.lipton.se/Lipton-SE/se-2006/index.html

Citibank



Source:

 $\underline{http://www.citibank.com.cn/CNGCB/APPS/portal/loadPage.do?path=/home.htm\&tabId=PreHome}$



Source: https://www.citibank.se/ccsoa/

IKEA

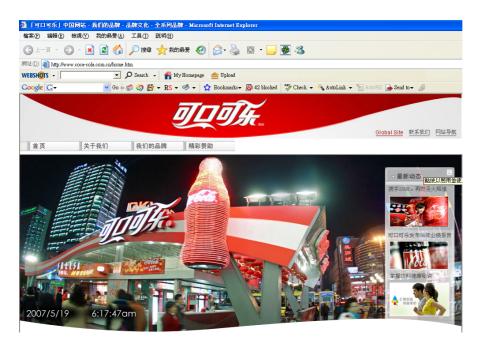


Source: http://www.ikea.com/ms/zh CN/local home/beijing.html

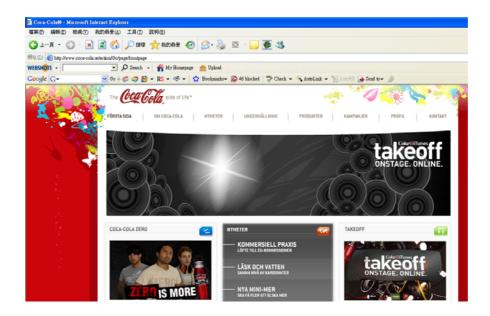


Source: http://www.ikea.com/ms/sv SE/local home/malmo.html

Coca-Cola



Source: http://www.coca-cola.com.cn/home.htm



Source: http://www.coca-cola.se/action/Go/page/frontpage

Appendix 3 – Record of cultural elements

Chinese Websites

| | | Websites | | | | | |
|---------------|-----------------------------------|----------|---------|--------|----------|------|-----------|
| | | Nescafe | Samsung | Lipton | Citibank | Ikea | Coca-cola |
| | Discussion Forum | Y | Y | Y | N | Y | N |
| Interactivity | Personalization/ Customization | Y | Y | Y | Y | Y | N |
| | Playful Entertainment | Y | Y | Y | N | N | N |
| | Service Features | Y | Y | Y | Y | Y | Y |
| Communication | Colors | Y | N | N | N | N | Y |
| | Picture/ Image | Y | Y | Y | Y | Y | Y |
| | Information Content | Y | Y | Y | Y | Y | Y |

Swedish Websites

| | | Websites | | | | | |
|---------------|-----------------------------------|----------|---------|--------|----------|------|-----------|
| | | Nescafe | Samsung | Lipton | Citibank | Ikea | Coca-cola |
| Interactivity | Discussion Forum | N | N | N | N | N | N |
| | Personalization/ Customization | N | N | N | N | Y | Y |
| | Playful Entertainment | Y | Y | N | N | N | Y |
| | Service Features | Y | Y | Y | Y | Y | Y |
| Communication | Colors | Y | N | N | N | Y | Y |
| | Picture/ Image | N | N | Y | Y | Y | N |
| | Information Content | Y | Y | Y | Y | Y | Y |

Y-Yes, being culturally adapted N-No, is not culturally adapted