

MARKETING MIX ACROSS CULTURES: STANDARDIZATION OR ADAPTATION

Case: Binh Quoi Tourist Village's wedding services to French and
Japanese markets

LAHTI UNIVERSITY OF APPLIED
SCIENCES
Degree Program in International Business
Thesis
Autumn 2011
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Bachelor's Thesis of Degree Program in International Business, 97 pages, 12 pages of appendices

Autumn 2011

ABSTRACT

As the domestic wedding market in Vietnam becomes more and more saturated, foreign customers turn out to be new targets. Therefore, a strategic marketing plan for a Vietnamese organization to reach overseas customers is extremely necessary.

The goal of this thesis is to assist a case company - Binh Quoi Tourist Village - a Vietnamese company operating in entertainment and restaurant industry to attract the French and Japanese to use its wedding services.

In the theoretical part, data used are collected mostly from secondary sources such as books, articles, and theses. This part presents background information regarding cultural differences and two strategies of the international marketing mix, namely standardization and adaptation. The theoretical part concentrates on a decision about standardizing or adapting the marketing mix when an organization penetrates international markets.

With respect to the empirical part, data used are collected from personal observations, company reports, journals, and interviews with experts in Vietnamese wedding and tourism industry. The empirical part focuses on Binh Quoi Tourist Village's wedding services for foreign customers, especially the French and Japanese. Based on the theory, a strategic marketing plan related to standardizing or adapting the marketing mix for Binh Quoi Tourist Village to attract two specific target markets, namely France and Japan is provided.

It is concluded that French and Japanese cultures have significant influences on the decision whether Binh Quoi Tourist Village should standardize or adapt its wedding services to these two markets. As a result, the company is recommended to identify the balance between standardization and adaptation approach for each component of the marketing mix when introducing the wedding services to France and Japan.

Keywords: Binh Quoi Tourist Village, culture, international marketing strategies, standardization and adaptation, wedding services, France, Japan.

CONTENTS

1	INTRODUCTION	1
1.1	Background information	1
1.2	Thesis objectives and questions	3
1.3	Thesis scope	4
1.4	Research methods	6
1.5	Thesis structure	10
2	STANDARDIZATION OR ADAPTATION OF THE MARKETING MIX ACROSS CULTURES	13
2.1	Cultural diversities	13
2.1.1	Definitions of culture	13
2.1.2	Cultural dimensions	15
	Edward T. Hall's high- and low-context culture	15
	Greet Hofstede's four plus one cultural dimensions model	19
2.2	Standardization versus adaptation of the marketing mix	25
	A. Standardization versus adaptation of product	30
	B. Standardization versus adaptation of price	35
	C. Standardization versus adaptation of place (distribution)	37
	D. Standardization versus adaptation of promotion	38
2.3	Impacts of cultural differences on standardization and adaptation of the marketing mix	40
3	BQTV'S WEDDING SERVICES IN INTERNATIONAL MARKETS	44
3.1	Company overview	44
3.2	Reasons behind the choice of developing BQTV's wedding services	47
3.3	Current market situation	50
3.4	Competitor's analysis	54
3.5	Binh Quoi Tourist Village's wedding business' SWOT analysis	57
3.6	BQTV's wedding services in international markets	58
4	CASE STUDY: STANDARDIZATION OR ADAPTATION BQTV'S WEDDING SERVICES TO FRENCH AND JAPANESE MARKET	68
4.1	French and Japanese culture	68
4.2	Marketing plan for BQTV's wedding services to French and Japanese market	72
4.2.1	Segmentation	73

4.2.2	Sales target	75
4.2.3	Standardization or adaptation of the marketing mix	79
5	CONCLUSION AND POSSIBILITIES OF FUTURE RESEARCH	90
5.1	Standardization or adaptation of each component of the marketing mix	90
5.2	Possibilities of future research	94
6	SUMMARY	96
	REFERENCES	98

LIST OF FIGURES

FIGURE 1. Research design.	6
FIGURE 2. Thesis structure.	11
FIGURE 3. The visible and invisible parts of culture.	14
FIGURE 4: The contextual continuum of differing cultures.	18
FIGURE 5. Standardization and adaptation of the international marketing mix.	26
FIGURE 6. Continuum of standardization and adaptation.	28
FIGURE 7. Four main characteristics of service.	31
FIGURE 8. Strategic adaptation to foreign markets.	34
FIGURE 9. Degree of standardization and adaptation of three levels of the product or service.	35
FIGURE 10. Influences of culture on choice of standardization or adaptation of the marketing mix.	42
FIGURE 11. The turnover of BQTV in different segments in 2009.	46
FIGURE 12. BQTV's business innovation five-year plan.	48
FIGURE 13. Contribution of wedding business in BQTV's revenue in 2005, 2007 and 2009.	49
FIGURE 14. International channels of distribution of BQTV's wedding services.	66

LIST OF TABLES

TABLE 1. General comparative characteristics of cultures.	17
TABLE 2. High and low ranking of Hofstede's four plus one dimensions.	23
TABLE 3. Impact of Hofstede's dimensions in international marketing and consumer behavior.	24
TABLE 4. Comparison of standardization versus adaptation.	29
TABLE 5. Arguments for standardization and adaptation of product.	33
TABLE 6. Comparison between pricing standardization and pricing adaptation.	37
TABLE 7. Factors driving promotion standardization and adaptation.	40
TABLE 8. Comparison of five main facilities of BQTV.	45
TABLE 9. Different amount (USD) spent on a wedding in big cities and countryside area in Vietnam in 2009.	53
TABLE 10. SWOT analysis of high brand recognition wedding celebrators in Ho Chi Minh City. (Vietnam National Administration of Tourism 2010 and Nguyen, V.N 2010.)	55
TABLE 11. SWOT analysis of big resorts in other tourist cities in Vietnam. (Vietnam National Administration of Tourism 2010 and Nguyen, V.N 2010.)	56
TABLE 12. BQTV's wedding business' SWOT analysis. (Nguyen, V.N 2010)	57
TABLE 13. Price (USD) of different packages of BQTV's wedding services. (Nguyen, V.N 2010)	63
TABLE 14. The promotion mix strategies of BQTV for its wedding services in international markets.	67
TABLE 15. Scores and ranks of the two analyzed nations in Hofstede's cultural dimensions.	71
TABLE 16. Criteria for BQTV to choose the principle segments.	74
TABLE 17. Depreciation value of the investment in BQTV's wedding services (USD).	76
TABLE 18. Profit and loss account (five-year period) for BQTV's wedding services.	78
TABLE 19. The effect of additional export sales (USD) in contribution to BQTV's wedding services (five year period).	79
TABLE 20. Standardization and adaptation of the marketing mix of BQTV's wedding services to French and Japanese markets.	91

GLOSSARY

4Ps	Four elements of the marketing mix, including product, price, place and promotion
7Ps	Seven elements of the marketing mix, including product, price, place, promotion, people, process, and physical evidence
ASEAN	Association of Southeast Asian Nations
ASTA	American Society of Travel Agents
BQTV	Binh Quoi Tourist Village
GATS	General Agreement on Trade in Services
HQ	Headquarters
HTA	Ho Chi Minh City Travel Association
IBM	International Business Machines
IDV	Individualism Index
JATA	Japan Association of Travel Agents
LSE	Large-Scale Enterprise
LTO	Long-term Orientation Index
MAS	Masculinity Index
MICE	Is used to refer to a particular type of tourism in which large groups travel together for some particular purposes such as Meetings, Incentives, Conferences, and Exhibitions
PATA	Pacific Asia Travel Association
PDI	Power Distance Index
SME	Small and Medium-sized Enterprises
SWOT	SWOT analysis is a tool for auditing an organization and its environment. SWOT stands for Strengths, Weaknesses, Opportunities and Threats.
UAI	Uncertainty Avoidance Index
USD	The United States Dollar
USTOA	The United States Tour Operators Association
VND	Vietnamese Dong
VTA	Vietnam Tourism Association
WTO	World Trade Organization

1 INTRODUCTION

1.1 Background information

This study is conducted for a Vietnamese company operating in the entertainment and restaurant industry, Binh Quoi Tourist Village (BQTV). The company would like to launch its wedding services into international markets. These services include church – approved wedding ceremony services, certificate of marriage services, photography services, wedding reception party, wedding music services, accommodation services and mini honeymoon tours. The purpose of this thesis is to discover the most effective marketing mix plan for the case company to attract foreign customers, especially the French and Japanese which are considered as its target segments.

BQTV is an affiliate of Saigontourist Holding Company, one of the biggest companies operating in entertainment and tourism industry in Vietnam. Therefore, when BQTV introduces the wedding services to international markets, it will receive supports by its mother company. In fact, Saigontourist Holding Company has already entered the French and Japanese markets with its travel services. Although France and Japan are Saigontourist's existing markets, BQTV's wedding services are new products in these two markets. As a result, it can be interpreted that BQTV is at the beginning stage of internationalization. In this case, the company concentrates on its own domestic markets before attracting foreign customers to use its wedding services in its own domestic territory. (Onkvisit & Shaw 2009, 19.)

In order to reach overseas customers, an international marketing strategy is one of the most important key factors that lead an organization to succeed in the internationalization road. Therefore, BQTV has to focus on its international marketing activities to attract customers outside the national frontiers and survive in highly competitive markets. (Onkvisit & Shaw 2009, 20.)

International marketing strategies require marketers have deep knowledge about target countries, especially information concerning uncontrollable elements of global marketplaces such as political, economic, social and cultural environment, etc. Among these environments, cultural element is one of the biggest obstacles that an organization may cope with because the culture represents a country and it is complex. Indeed, culture is different from country to country. Thus, organizations have to address the culture of foreign markets where they plan to enter. (Stock & Lambert 2001, 526.)

When introducing the wedding services to international markets, BQTV will possibly encounter a question of whether it should engage in standardizing the products and services offered or adapting them across countries and continents. In this regard, there may have two approaches for BQTV to follow, namely standardization and adaptation. The selection between standardization and adaptation has become a big question for many organizations. The culture of target markets has influences on the answer for this question. As a result, depending on the characteristics of the culture, BQTV has to make a decision between these two approaches. Vrontis & Kitchen indicated that the debate between standardization and adaptation strategy has been of long duration. However, several businesses have recognized that there is no frontier between these two approaches. Thus, international marketers must explore to which degree they should implement standardization or adaptation strategy for each element of the marketing mix to achieve the best performance and effectiveness. (Vrontis & Kitchen 2005, 87-88.)

In a practical training period in BQTV in autumn 2010, the author recognized that a strategic marketing plan for a Vietnamese organization to attract overseas customers is enormously necessary. Through the author's own observation, one of the biggest weaknesses of Vietnamese organizations is unclear marketing strategies. Most of these organizations have not considered the target markets' culture. In a common way, Vietnamese organizations usually implement the same marketing mix strategies for all foreign markets despite the fact that culture may differ widely from one country to another. In order for the case company to overcome these obstacles, this study was designed to analyze and evaluate which strategy is

better between standardization and adaptation for the marketing mix of BQTV to launch the wedding business into international markets, especially France and Japan.

1.2 Thesis objectives and questions

High profitability is a target on which the case company concentrates mainly. Even though BQTV has operated many different sectors of business from food services, accommodation services to recreation activities, it would like focus on wedding services because of the huge potential of this industry. When the domestic market becomes more and more saturated, foreign customers turn out to be new targets for the case company. Obviously, revenue from selling the wedding services to overseas customers is a big profit for BQTV. In order to achieve the financial target, the case company has to identify a strategic plan. In this regard, marketing management is completely important. Therefore, the aim of this study is to discover an effective strategy between standardization and adaptation for the international marketing mix of the case company, BQTV to follow when introducing its wedding services to the French and Japanese markets.

This study was created to answer the following question: Should the case company standardize or adapt the marketing mix in order to launch successfully its wedding services into France and Japan?

In order to achieve the final result, some sub-questions have been established:

- Should the case company standardize or adapt its product (wedding services) to France and Japan?
- Should the case company standardize or adapt its price to France and Japan?
- Should the case company standardize or adapt its promotion to France and Japan?
- Should the case company standardize or adapt its place (distribution) to France and Japan?

1.3 Thesis scope

There are numerous uncontrollable factors influencing an international business such as political and legal systems of the foreign markets, economic conditions, degree of competition, technology and social and cultural environment, etc. All these features directly or indirectly affect the international strategies of an organization. However, this study focuses only on one aspect – culture, as the first limitation of this research. Culture, according to the author, is one of the most challenging elements of international marketplaces. Apparently, many complicated problems with respect to cultural environment lead us to the fact that we cannot learn culture – we have to live it. In addition, the wedding business almost certainly has a close connection with cultural aspects because wedding culture represents each nation and it differs from country to country. Furthermore, the cultural differences reflect distinctions in the purchase behavior of customers. Due to its important role, culture is investigated throughout this thesis. (Stock & Lambert 2001, 526.)

Secondly, the research is limited to two strategies of the marketing mix, namely standardization and adaptation. As international marketing is such a vast area to research, this study concentrates principally on these two approaches for the case company to promote its marketing mix to international marketplaces. Moreover, the term “the marketing mix” used in this thesis concerns four components (4Ps) – product, price, place, and promotion. Even though many marketers prefer seven elements (7Ps) for services (product, price, place, promotion, people, process, and physical evidence), only four Ps are mentioned in this thesis because they are the basic ones. (Service marketing mix 2010.)

Thirdly, due to the potential of the wedding business in Vietnamese market, the thesis is created to study chiefly this field. Although main business operations of the case company consist of various areas such as accommodation services, catering services, leisure services, etc., wedding services become the first choice because of reasons which are explained further in Chapter 3 of this thesis.

Besides, as culture varies from one country to another, it is impossible to implement the same marketing mix strategy for the target countries all over the world. Therefore, French and Japanese markets are particularly studied at the beginning stage of the project. It is wiser for BQTV to introduce early its wedding services to these two markets due to the available information about them that the company has from its mother company. Though Japan was hit by an enormous earthquake on March 2011 and is still on the way of rehabilitating the economy, Japan is chosen to become a target market because it is considered as a vastly potential market. Furthermore, the overall costs for a wedding in Vietnam are probably cheaper in comparison with those in Japan. In general, a wedding in BQTV may help them to reduce wedding costs. One of the reasons for cost reduction is that by marrying abroad, the honeymoon can be combined with the ceremony. Consequently, the wedding in BQTV may attract Japanese couples at this time. (BBC news 2011 & Japan-guide 2011.)

Additionally, during the research process, some challenges appeared from the Vietnamese enterprises side. Firstly, there is a shortage of official information and data from enterprises and government websites, which is a very common situation in the Vietnamese market. This comes from Vietnamese business culture, Vietnamese knowledge as well as updated information and data process. Accordingly, it caused some difficulties for collecting correct and necessary information and data for this study. Secondly, almost information from domestic sources is in the Vietnamese language. There are a few websites having an English language version, such as those of government, large-scale companies, and international firms. Although the case company has an English language version on its official website, it lacks information and not all information is translated and published in English either.

With reference to the interview, most of the interviewees did not have enough time to discuss deeply the issues concerning the case study, except for Nguyen, V.N. – BQTV's marketing manager - who gave much strong support to the author. Besides, the case company was not eager to spend a large amount of its budget on market research to promote its wedding services to foreign customers,

which was one of the most important steps they should consider. Moreover, because BQTV is a Vietnamese state company, they have found it uncomfortable to publish necessary figures and data. It is, therefore, difficult for the author to gather important information and data from them.

1.4 Research methods

Research methods of this study are indicated according to the following chart:

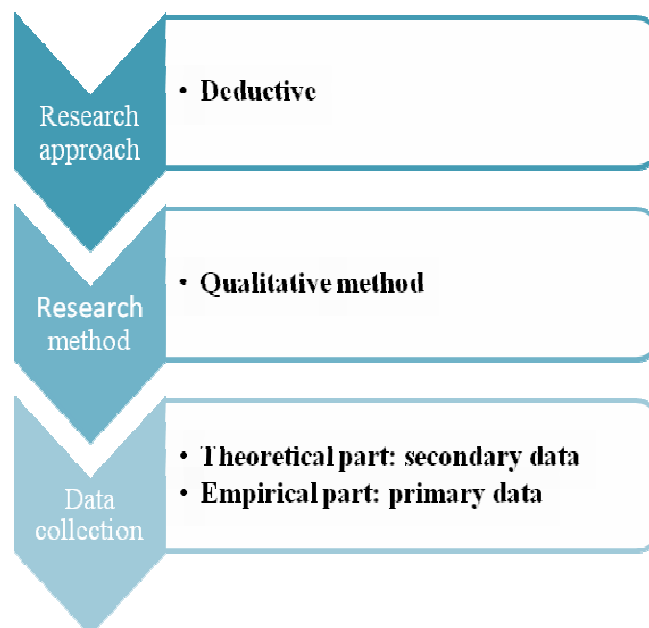


FIGURE 1. Research design.

Research approach

The first step of research methodology is to choose a research approach. In general, there are two research approaches, i.e. deductive and inductive. The deductive approach means that the research starts with a theory or hypothesis, and that theory or hypothesis will be tested or proved. The deductive research is a set of techniques for applying theories in the real world in order to test and assess their validity. In other words, the deductive approach begins with basis propositions and proceeds to derive logical conclusions about the subject under consideration.

Deductive research moves from the general to the particular. Sometimes people name the deductive approach a “top-down” approach. (Lancaster & Crowther 2009, 23.)

The second research approach is the inductive approach that essentially reverses the process found in the deductive research. The inductive approach indicates that conclusions are drawn based on the data that are collected and analyzed. Here, the researcher develops hypotheses and theories with a view to explain empirical observations of the real world. In other words, the inductive approach is moving from specific observations to broader generalizations and theories. Sometimes it is named the “bottom up” approach. (Lancaster & Crowther 2009, 31.)

In this study, the deductive approach was applied. In this regard, the initial sources were based on theoretical knowledge about two strategies, namely standardization and adaptation of the marketing mix across cultures; then a conclusion concerning the case company’s situation was drawn.

Research method

The next step is the selection of research methods. A research method is a procedure for collecting, organizing and analyzing data (Estanislao, Quentin 2002 according to Teddlie & Tashakkori 2009, 21). There are two common methods, namely qualitative and quantitative research. The quantitative research is the systematic scientific investigation of quantitative properties and phenomena and their relationships. Obviously, the quantitative methods regard statistical measurement and mathematical expression of quantitative. On the other hand, the qualitative methods do not involve measurements or amounts. Thomas (2003, 1) indicated that the qualitative research is multi-method in focus, involving an interpretive, naturalistic approach to its subject matter. The aim of the qualitative method is to understand and explain the reasons and results of the phenomenon. One of the most useful qualitative techniques is interviewing. The researcher certainly plays an important role in analyzing and evaluating the data in the qualitative research method. The research method applied in this study was the qualitative method.

During the research for the project of the case company, many business tools were utilized such as SWOT analysis, segmentation strategy, and financial plan.

SWOT analysis is a useful technique for understanding strengths and weaknesses that an organization may have, and for identifying opportunities and threats from external environments (Mindtools 2011.). In this study, SWOT analysis technique was applied to evaluate BQTV's wedding services as well as its competitors in the Vietnamese wedding industry.

Segmentation strategies are approaches to divide a market into segments with defined similar characteristics. Five major segmentation strategies are: behavior segmentation, benefit segmentation, demographic segmentation, geographic segmentation and psychographic segmentation. In this thesis, behavior, demographic and geographic segmentation were used to analyze two target markets: France and Japan. In addition, segmentation criteria were created for the case company to identify key customers. (businessdictionary 2011.)

Financial plan is a summary of a company's needs or goals for the future and how achieve them. In order to make the project more applicable, financial goals should be clear. Therefore, sales target was also determined in this research. Furthermore, profit and loss account concerning the case company's wedding services was established. (financial-dictionary 2011.)

All the analyses and plans were created by the writer, which are based on personal observation. The researcher had an internship as an assistant for the Marketing Manager in the case company from August to December 2010. During that time, the author studied particularly the marketing strategy of the case company and its wedding services.

Data collection

The final step of the research process is data collection. During the planning phase of the study, it is crucial to decide on the methods to be used in collecting data.

This thesis was divided into two main parts, the theoretical framework and the empirical part. The data used in these two parts were collected from different sources. (Lancaster & Crowther 2009, 77.)

In the theoretical framework, data used were secondary data, which means the data have already been collected by others and the author needs only to extract the required information for the purpose of the study. The secondary data used in this thesis were mostly gathered from published sources such as books, articles and theses regarding the research topic, newspapers, magazines, as well as other internet sources. The collection of secondary data was carried out from October 2010 to March 2011. The data and information were collected from both English and Vietnamese sources. (Kumar 2005, 141.)

In the empirical part, the data used were primary data. The primary sources, in general, provide first-hand information and must be collected firstly by the author. (Lancaster & Crowther 2009, 74.) In this case, primary sources were collected from the historical case of the author's five-month training period from August 2010 to December 2010 in BQTV. Moreover, the empirical part was based on data collected from semi-structured interviews with Nguyen, V.N. - Marketing Manager of Binh Quoi Tourist Village; Nguyen, M.H. - Sales Executive of Saigontourist Holding Company; Tran, D.P. - Marketing Assistant of Saigontourist Holding Company; Pham, H.H. - Sales Executive of Phoenix Voyages Vietnam; and Nguyen, T.C. - Sales Executive of Ben Thanh Tourist Company.

The interviews

All the interviews are face-to-face interviews which were conducted in a semi-structured format. The semi-structured individual interview is designed to be focused in terms of topics covered and yet flexible in that it is possible to add more or omit some questions (Lancaster & Crowther 2009, 147). The face-to-face interviews with experts were divided into three groups:

- Case company (See Appendix 1.)
- Experts from Saigontourist Holding Company (The mother company of the case company) (See Appendix 2.)
- Experts from other travel agents who have had knowledge about honeymoon tours for foreigners in Vietnam (See Appendix 3.)

The purpose and questions for interviewing each group were different. Case company personnel were interviewed to understand about the marketing strategies for its wedding services in international markets. The information obtained from the interviews with the case company was the basis for the conclusion about whether the case company should standardize or adapt its marketing mix across cultures. Interviews with the second group occurred with the purpose of gathering the first-hand information regarding the potential of BQTV's wedding services in foreign markets. With respect to the third group, the author would like to collect the needed information concerning honeymoon tour package for overseas customers in Vietnam.

1.5 Thesis structure

This thesis is divided into two separate sections, namely the theoretical part and the empirical part. The theoretical framework aims at presenting background information about cultural differences theory and two strategies of the international marketing mix, i.e. standardization and adaptation. The empirical part is based on the case company. The purpose is to provide the case company with appropriate recommendations for further development of its wedding services to foreign customers, especially French and Japanese couples.

In detail, the thesis consists of six chapters which are illustrated according to the following figure:

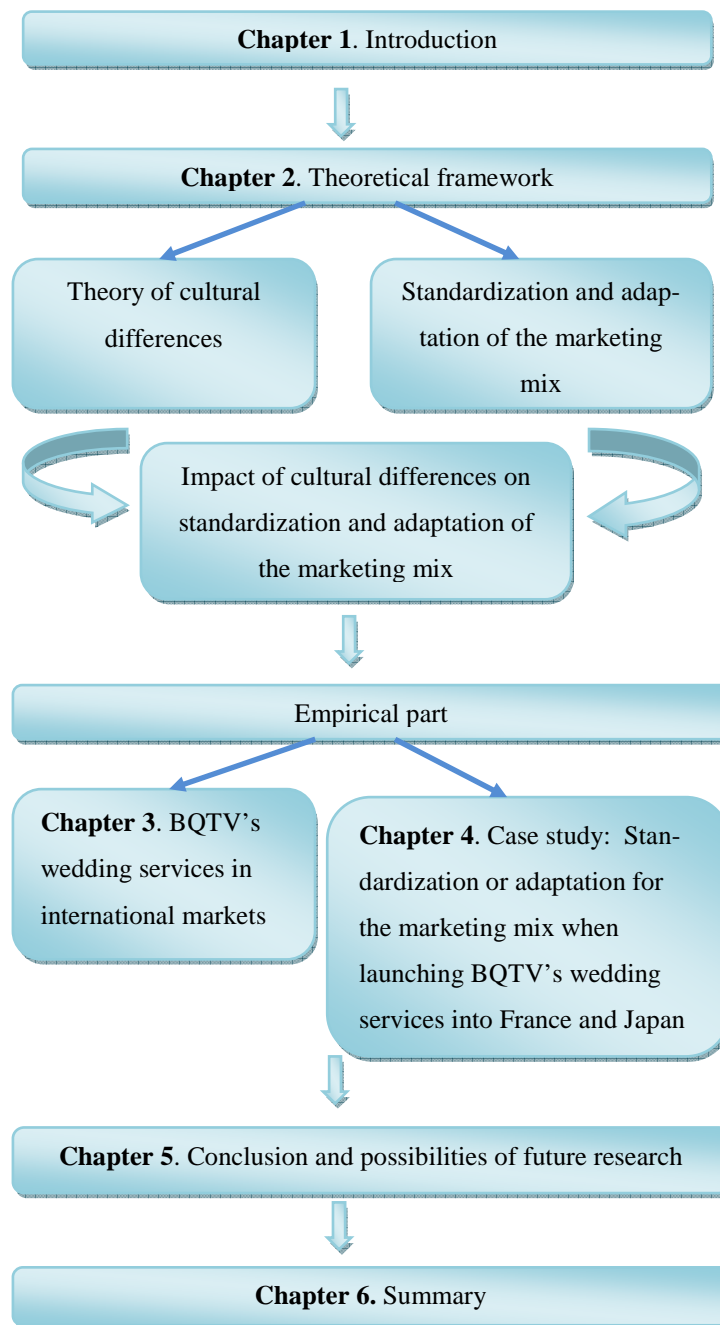


FIGURE 2. Thesis structure.

The contents of six chapters are briefly discussed as below:

Chapter 1 begins with the background information, research objectives, research questions, thesis scope and research methods.

Chapter 2 is the theoretical part which includes theories concerning definitions of culture, and cultural dimensions of two authors Hall and Hofstede. In addition,

theories about standardization and adaptation of marketing mix are mentioned. Furthermore, a conclusion about how the standardization and adaptation approach influenced by cultural differences is identified. The theoretical framework is created in order to support the empirical parts.

Chapter 3 concerns the wedding services of the case company in international markets. At first, this chapter provides general information regarding the case company, BQTV and reasons why they chose to launch their wedding services into foreign markets. Next, the Vietnamese wedding culture and the current situation of the wedding business in Vietnam are also discussed. Moreover, the competitors' analysis and SWOT analysis of BQTV's wedding services are included. The purpose of chapter 3 is to draw a picture of the wedding industry in Vietnam generally and the wedding services of the case company particularly.

Chapter 4 is designed to answer the research questions of this thesis. Based on obtained data from the previous chapter, all the sub-questions are answered. In this regard, recommendations related to standardization or adaptation for the marketing mix of the case company's wedding services to the French and Japanese markets are made.

Chapter 5 refers to the thesis conclusion and possibilities for future research. The aim of this chapter is to conclude the decision-making concerning marketing the case company's wedding services to France and Japan. Additionally, chapter 5 indicates the direction for future research.

Chapter 6 is a summary part. In this chapter, all key points of the entire thesis are summarized.

2 STANDARDIZATION OR ADAPTATION OF THE MARKETING MIX ACROSS CULTURES

In this chapter, the theoretical framework related to the study is introduced. This theoretical framework includes three main parts. Firstly, theories regarding cultural diversities are presented. Secondly, two marketing strategies, namely standardization and adaptation are discussed. Finally, impacts of cultural differences on these two strategies are concluded.

2.1 Cultural diversities

With the purpose to realize how cultural diversities influence the marketing mix strategies, two common frameworks of culture, i.e. Hall's high and low context and Hofstede's four plus one cultural dimensions model are used. These two theories affect the choice of an organization in the decision of standardizing or adapting the marketing mix in international markets.

2.1.1 Definitions of culture

This part concentrates on providing various definitions of the culture in order to deliver the most understandable meaning of culture.

One of the first official definitions of culture was introduced by Edward T. Hall. He identified culture as "the complex whole which includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by man as a member of society" (Hall 1871). Another definition of culture would be "culture consists in patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their attached values (Kluckhohn 1952 according to Schumann 2009, 49.). In international management field, culture was defined as "the collective programming of the mind that distinguishes members of one group or category of people from another" (Hofstede 2005, 4.). The key expression in this defini-

tion is the collective programming which means a process to which each member of society has been subjected since birth.

The concept of culture is extremely broad and complex. However, a more simple way to picture the term culture is the “Iceberg model of culture” (see Figure 3). This model is based on the iceberg theory, which means when seen on the water, only small part of the iceberg can be seen, and most of it is below the water line. The theory is applied to explain the components of culture. With respect to culture, there are some visible parts which are illustrated by things people can see, hear, smell, taste or touch, such as architecture, art, music, language, etc. and some invisible ones, i.e. values, norms, beliefs, social morals, etc. Nevertheless, the hidden parts of culture are more powerful and more difficult to identify. The invisible parts are where the more important elements of culture come from, and are the ones which lead to a deeper meaning and understanding of culture. The Iceberg model notifies that international marketers need to learn carefully the culture of customers in order to satisfy their fundamental needs. (Hollensen 2008, 140-141.)

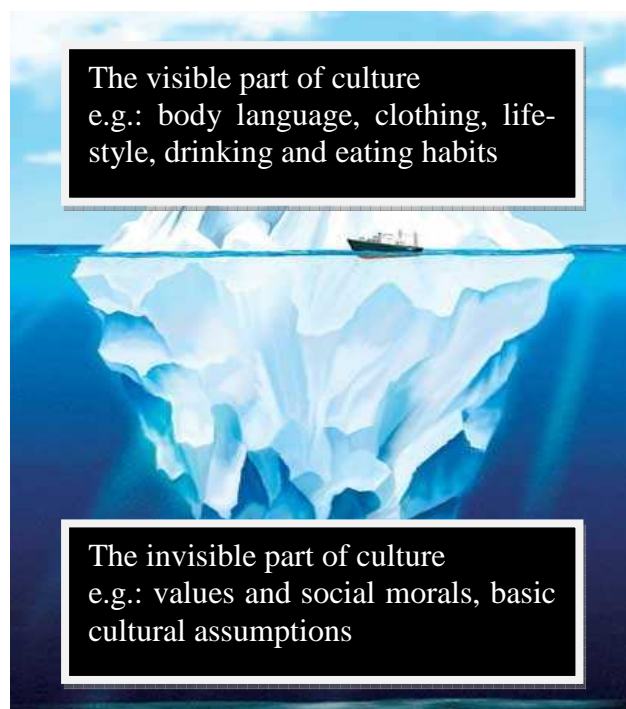


FIGURE 3. The visible and invisible parts of culture. (Adapted from Hollensen 2008, 141.)

2.1.2 Cultural dimensions

Within the context of international business, culture involves different dimensions. Cultural dimensions provide marketers with basic knowledge about cultural diversities to help them realize better solutions for an organization in its internationalization road.

Many scientists such as Fons Trompenaars, Charles Hampden-Turner, Edward T. Hall and Greet Hofstede researched on cultural differences and invented concepts of diverse dimensions. In order to study cultural differences, Hall's high- and low-context dimension and Hofstede's four plus one dimensions model are popularly used by numerous international companies (Hanke 2006 according to Hollensen 2008, 154.). Hence, the key point of this part is to suggest these two models as examples of a way of studying culture through various dimensions.

Edward T. Hall's high- and low-context culture

The American anthropologist and cross-cultural researcher Edward T. Hall introduced the concept of high and low contexts as a way of understanding different cultural orientation. For Hall, context is the information that surrounds an event; it is inextricably bound with the meaning of that event. He categorized cultures as being either high- or low-context, depending on the degree that meaning comes from the setting rather than from the words being exchanged. Hall defined that "a high context communication or message is one in which most of the information is already in the person, while very little is in the coded, explicit, transmitted part of the message. A low context communication is just the opposite, i.e. the mass of the information is vested in the explicit code (Hall 1989, 112.)".

Hollensen (2008, 143-144.) explained Hall's high- and low- context in an understandable way:

- Low-context cultures rely on spoken and written language for meaning. Senders of messages encode their messages, expecting that the receivers

will accurately decode the words used to gain a good understanding of the intended message.

- High-context cultures use and interpret of the elements surrounding the message to develop their understanding of the message. In high-context cultures, the social importance and knowledge of the person and the social setting add extra information, and will be perceived by the message receiver.

Hall stated that high-context cultures make greater distinctions between insiders and outsiders than low-context cultures do. People raised in high-context systems expect more of others than in low-context systems. Also in high-context systems, people in positions of authority are personally and truly responsible for the actions of subordinates down to the lowest man. In low-context systems, responsibility is diffused throughout the system and difficult to identify. (Hall 1989, 113.)

Hollensen created a comparison between high- and low- context cultures through basic characteristics of culture (see Table 1).

TABLE 1. General comparative characteristics of cultures. (Hollensen 2008, 143.)

Characteristic	Low- context/individualistic (e.g. western Europe, USA)	High-context/ collectivistic (e.g. Japan, China, Saudi Arabia)
Communication and language	Explicit, direct	Implicit, indirect
Sense of self and space	Informal handshakes	Formal hugs, bows, and handshakes
Dress and appearance	Dress for individual success, wide variety	Indication of position in society, religious rule
Food and eating habits	Eating is a necessity, fast food	Eating is social event
Time consciousness	Linear, exact, promptness is valued, time equals money	Elastic, relative, time spent on enjoyment, time equals relationship
Family and friends	Nuclear family, self-oriented, value youth	Extended family, other oriented, loyalty and responsibility, respect for old age
Values and norms	Independence, confrontation of conflict	Group conformity, harmony
Beliefs and attitudes	Egalitarian, challenge authority, individuals control destiny, gender equity	Hierarchical, respect for authority, individuals accept destiny, gender roles
Mental process and learning	Lateral, holistic, simultaneous, accepting life's difficulties	Linear, logical, sequential, problem solving
Business/ work habits	Deal oriented ("quickly getting down to business"), rewards based on achievement, work has value	Relationship oriented ("first you make a friend, then you make a deal"), rewards based on seniority, work is an necessity

The degree of high- and low-context varies broadly from different cultures. The following figure (Figure 4) shows the contextual diversities in the cultures around the world. As can be seen from Figure 4, at one extreme are the low-context cultures of northern Europe. At the other extreme are the high-context cultures. The Japanese and Arabs have a complex way of communicating with people according to their socio-demographic background.

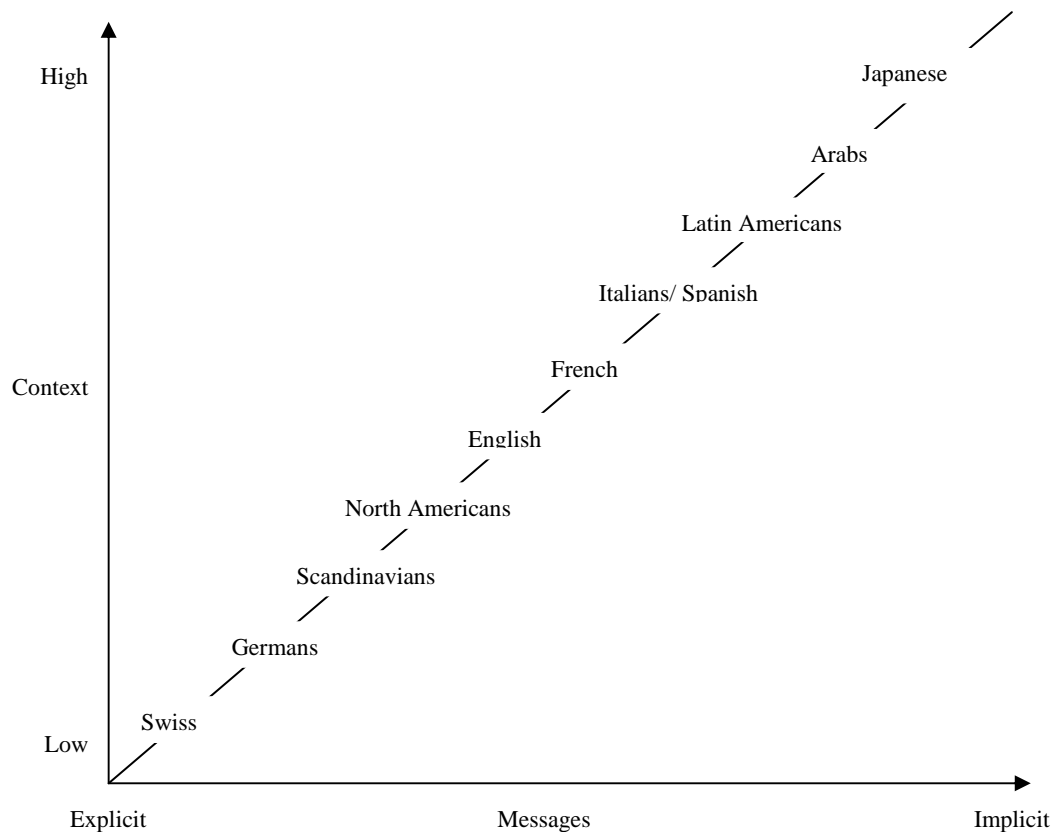


FIGURE 4. The contextual continuum of differing cultures. (Usunier, J.-C. 2000, according to Hollensen 2008, 144.)

Hall's high – and low – context indicates the way people communicate in different cultures. Hollensen concluded that the greater the context differences between those trying to communicate, the greater the difficulty in achieving accurate communications. (Hollensen 2008, 144.)

Greet Hofstede's four plus one cultural dimensions model

Greet Hofstede is a Dutch famous scientist. He spent a large amount of his time to study cultural diversities and invented one approach to identify the pervasive fundamental differences of national cultures. Hofstede based his research on an extensive IBM database from which – between 1967 and 1973 – 116,000 questionnaires (from IBM employees) were used in 74 countries and 20 languages. His work aimed at all hierarchical levels (from unskilled workers to chief executive officers) on more than 60 items such as attitudes of employees towards management, leadership, job satisfaction and their relation between work and leisure time. Hofstede at first drew a conclusion for four main cultural dimensions and the fifth dimension was later added.

Hofstede's cultural model has been appreciated and applied by many international companies. The principle reason behind the reliability and validity of Hofstede's theory is that his work was supported by hundreds of both qualitative and quantitative studies in different disciplines, and by a large number of replication. The strengths of Hofstede's model are indicated as follows:

- The data was based on large sample (116,000 respondents)
- The information population (IBM employees) is controlled across countries, which means comparisons can be made.
- The four dimensions include deep cultural values and make significant comparisons between national cultures.
- The connotations of each dimension are highly relevant. The questions asked of the respondents relate to issues of importance to international managers.
- No other study compares so many other national cultures in so much detail as Hofstede's work. It is known as the best there is.

(Hollensen 2007, 220.)

On the other hand, Hofstede's work has been also criticized by many researchers. Hollensen (2007, 221.) pointed out main weaknesses of Hofstede's dimensions:

- As with all national cultural studies, this one assumes that national territory and the limits of the culture correspond. Nevertheless, cultural homogeneity cannot be taken for granted in countries that include a range of culture groups or with socially dominant and inferior cultural groups such as multi-cultural countries (United States, Belgium, Italy, etc.)
- Hofstede's respondents worked within a single industry (the computer industry) and a single multinational. This is misleading for two reasons. In any one country the values of IBM employees are typical only to a small group (educated, generally middle class, city dwelling); other social groups (for instance unskilled manual workers, public sector employees, family entrepreneurs, etc.) are more or less unrepresented. This problem of representation would occur whichever single company provided respondents.
- Four or five dimensions are not enough to give a comprehensive picture of a culture.
- Hofstede's data was collected in the 1970's which for some scholars is too old and is not suitable for current situations.

Although a large number of opposite debates about Hofstede's work exist, many international marketing managers still utilize the four plus one dimensions model to examine the culture of target countries. (Edmundson 2007, 157.)

The Hofstede' four plus one cultural dimensions consist of power distance index, uncertainty avoidance index, individualism, masculinity, and long-term orientation, expressed below:

Power distance index (PDI) is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is unequally distributed. In other words, PDI refers to the degree of inequality between people in physical and educational terms. PDI scores inform about

dependence relationships in a country. In high power distance societies, inequalities of power and wealth have been allowed to grow. That means power is concentrated among a few people at the top who make all decision, and the others can only follow these decisions (e.g. most Asian countries such as Korea, Malaysia and the Philippines). On the other hand, in low power distance societies, people de-emphasize the differences between citizen's power and wealth. In these societies, the equality and opportunity is widely dispersed to everyone (e.g. German-speaking countries such as Austria, Germany; and the Nordic countries - Finland, Norway, Denmark and Sweden). (Hofstede 2005, 44-46.)

Ranks and scores of PDI for 74 countries and regions can be found in Appendix 4.

Uncertainty avoidance index (UAI) relates to the degree of tolerance for uncertainty and ambiguity within a society. Another important dimension of uncertainty avoidance is risk taking. High uncertainty avoidance societies are rule-oriented societies. That means people in these societies want to meet the future in structured and planned situations (e.g. Latin American, Japan, and South Korea). But in low uncertainty avoidance societies, the situation is opposite. These societies have less concern about ambiguity and uncertainty and have more tolerance for a variety of opinions. This is reflected in a society that is less rule-oriented, more responsive in coping with future change and takes more and greater risks (e.g. United States and Canada). (Hofstede 2005, 166-169.)

Ranks and scores of UAI for 74 countries and regions can be found in Appendix 5

Individualism index (IDV) focuses on the degree to which people in a country learn to act as individuals rather than as members in groups. In high individualistic societies, people are self-centered and feel little need for dependency on others (e.g. United Kingdom, Australia, Canada and United States). A low individualism ranking typifies societies of a more collectivist nature with close relationship between individuals. People in these societies are interdependent on each other (e.g. Japan, Brazil, Colombia, Chile and Venezuela). (Hofstede 2005, 75-79.)

Ranks and scores of IDV for 74 countries and regions can be found in Appendix 6

Masculinity index (MAS) concerns the degree to which the masculine values are expressed. The traditional masculine work role, the model of male achievement, control and power are reinforced or not reinforced in the cultures. In high masculinity cultures, high degree of gender differentiation is accepted. In these societies, male keeps power and plays an important role while female's role is much less weighty (e.g. Japan, China, and Italy). In low masculinity societies, the level differentiation and discrimination between genders is low. In these societies, females and males are equally treated (e.g. Denmark and Sweden). (Hofstede 2005, 118-122.)

Ranks and scores of MAS for 74 countries and regions can be found in Appendix 7.

Hofstede and Bond (1988) added the fifth dimension after conducting an additional international study in 39 countries using a survey instrument developed with Chinese employees and managers. They first introduced this dimension Confucian Dynamism and then renamed "Long-term orientation".

Long-term orientation index (LTO) is defined as the way a member in an organization exhibit a long-term perspective rather than a short-term point of view. In high long-term orientation societies, people respect the values of long-term commitments and traditional orientation (e.g. most East Asian countries such as Japan, China, Hong Kong, Taiwan, Vietnam and South Korea). On the other hand, in low long-term orientation cultures, concepts of long-term, traditional orientation are not reinforced. In these societies, long-term commitments are not highly respected and change can occur more rapidly (e.g. the African countries such as Zimbabwe and Nigeria). With respect to LTO, European countries occupy a middle range. (Hofstede 2005, 210-211.)

Ranks and scores of LTO for 39 countries and regions can be found in Appendix 8.

In order to provide basic knowledge about Hofstede's cultural dimensions, comparison between high and low ranking of these dimensions is presented in Table 2.

TABLE 2. High and low ranking of Hofstede's four plus one dimensions.
(Adapted from Hollensen 2008, 151-153.)

Dimension	Characteristics	
	High ranking	Low ranking
PDI	<ul style="list-style-type: none"> Centralized companies Strong hierarchies Large gaps in compensation, authority, and respect 	<ul style="list-style-type: none"> Flatter organizations Supervisors and employees are considered almost as equals
UAI	<ul style="list-style-type: none"> Very formal business Many rules and policies are applied Need and expect structure Differences are avoided 	<ul style="list-style-type: none"> Informal business attitude More concern with long-term strategy Accepting of change and risk, flexibility is respected
IDV	<ul style="list-style-type: none"> High valuation on people's time and their need for freedom An enjoyment of challenges, and an expectation of rewards for hard work Respect for privacy 	<ul style="list-style-type: none"> Emphasis on building skills and becoming masters of something Work for intrinsic rewards Close relationship between individuals
MAS	<ul style="list-style-type: none"> There is a well defined distinction between men's work and women's work Men have power and make all decisions 	<ul style="list-style-type: none"> Equality exists between men and women Powerful and successful women are admired and respected
LTO	<ul style="list-style-type: none"> High respect for long-term and traditional structure Strong work ethic High value placed on education and training 	<ul style="list-style-type: none"> Promotion of equality High creativity, individualism Accept changes and new things

Although Hofstede used a work-related context and originally applied his framework to human resources management, it has been increasingly applied in business and marketing studies (Soares, Farhangmehr & Shoham 2007, 281). Soares, Farhangmehr, & Shoham researched and confirmed the relevance of these cultural dimensions for international marketing and consumer behavior (see Table 3). Their research concludes that collectivism influences on consumer behavior, service performance, and advertising appeals. Uncertainty avoidance affects information exchange behaviors, innovativeness and advertising appeals. Power distance has influences on advertising appeals, information exchange behaviors, innovativeness, and service performance. Masculinity has an effect on sex role portrayals, and service performance and finally, long-term orientation influences innovativeness. (Soares, Farhangmehr & Shoham, 2007, 277-284.)

TABLE 3. Impact of Hofstede's dimensions in international marketing and consumer behaviors (Source: Soares, Farhangmehr & Shoham 2007, 281.)

	PDI	UAI	IDV	MAS	LTO
Innovativeness	X	X	X	X	X
Service performance	X		X	X	
Advertising appeals	X	X	X		
Information exchange behaviors	X	X			
Sex role portrayals				X	

To conclude, when entering a new marketplace, the marketers need to study the important factors of cultural environment that may affect organizations' marketing strategies since culture has influences on all aspects of life including work habits and consumption of products or services (Keegan 2002, 89.).

According to Harris et al. (2004, 21-22.) the first step to manage effectively cultural differences is to increase one's general cultural awareness. Accordingly, it is extremely necessary to understand the concept of culture and its characteristics before penetrating a specific market. The next step should be to assess the impact

of the specific cultural background on customers' mindset and behavior, as well as those of people with whom organizations interact or do business.

In this regard, Hall's high- and low-context cultures and Hofstede's four plus one dimensions model can obviously provide key points about certain cultural differences and similarities which are useful for international marketers. Hollensen agreed that international marketers must understand buyers' behavior in each marketplace and be able to use marketing research in an efficient way. Because the culture of a country is seen in the context of that country, the marketers should thoroughly study the cultural diversities to know how to manage it and to be able to make strategic marketing decisions. (Hollensen 2008, 154.)

2.2 Standardization versus adaptation of the marketing mix

When scale economies and growth opportunities in a domestic market are exhausted, the next logical step for a firm to follow is to penetrate foreign markets. In this regard, strategic marketing plans are essential conditions for the firm to succeed in international markets. In the process of internationalization, one of the most complicated issues that marketers have to manage is to explore the answer for the question whether the organization should apply domestic strategies to international markets (standardization approach), or whether marketing strategies should be designed to suit each individual market (adaptation approach). Figure 5 shows the process of standardization and adaptation of a firm when launching its products or services into foreign markets. (Hollensen 2008, 298-299.)

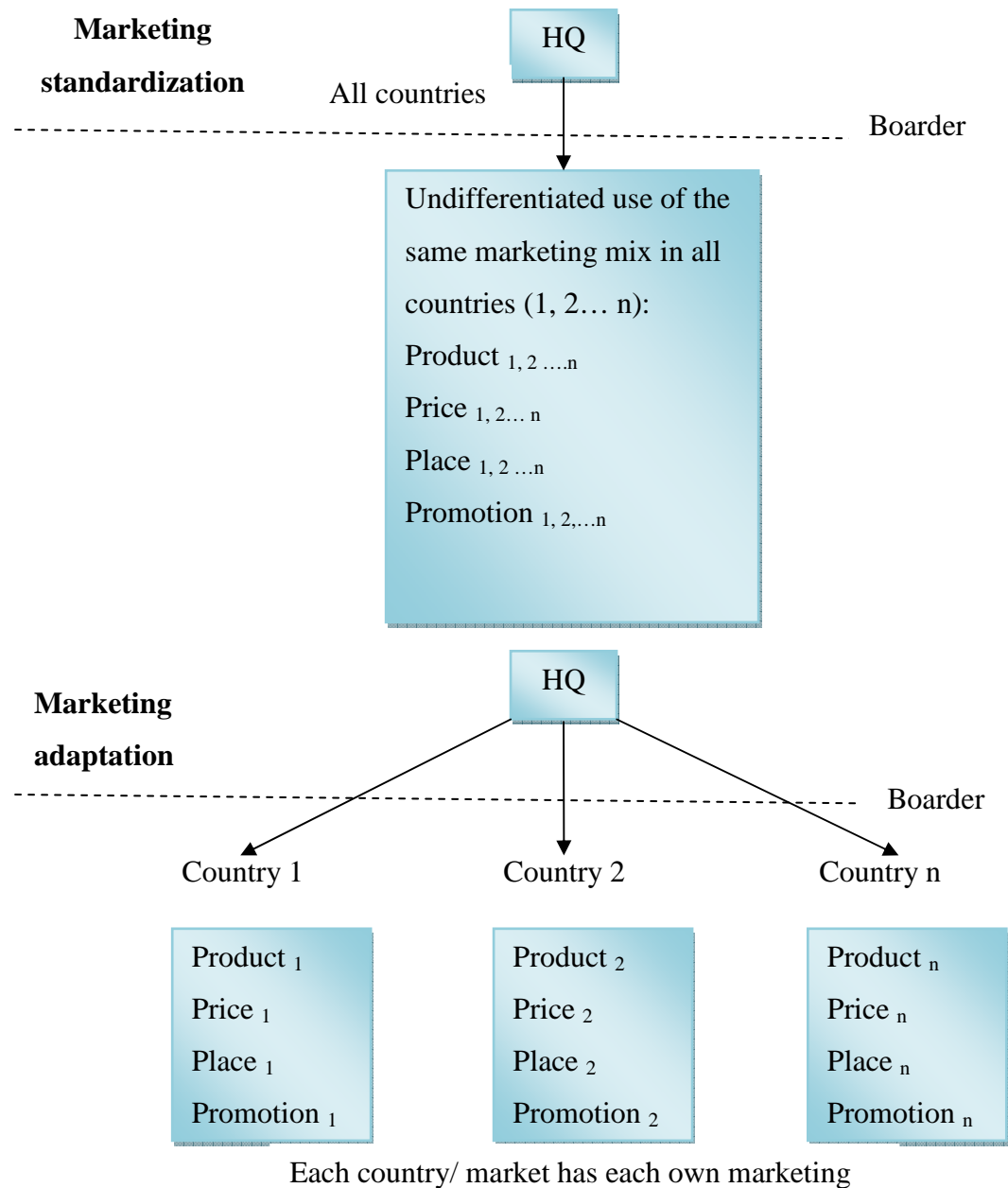


FIGURE 5. Standardization and adaptation of the international marketing mix (Hollensen 2008, 297)

Within the field of international marketing, the debate over the extent of standardization or adaptation is of long duration. Vrontis & Vignali (1999) argued that this debate commenced as early as 1961, when Elinder considered it with respect to worldwide advertising. This debate then expanded from advertising to the promotional mix, and now encompasses the entire marketing mix. (Vrontis, Thrassou & Lamprianou 2009, 478.)

There have been numerous opposite debates concerning two approaches: standardization and adaptation of the marketing mix. Supporters of standardization consider markets as increasingly homogeneous. They believe that the key for survival and growth in international markets is to standardize products and services (Fatt, 1967; Buzell, 1968; Levitt, 1983; Yip 1996 according to Vrontis, Thrassou & Lamprianou 2009, 478.). Moreover, they stipulate that a consumer' needs, wants and requirements do not vary significantly across markets or nations. The overall conceptual argument is that the world is increasingly becoming similar in terms of environmental factors and customer requirements. According to them, consumers have the same demands no matter where they live.

On the other hand, proponents of adaptation indicate difficulties in using a standardized approach to meet the "unique dimensions" of different international markets. In addition, they argue that there are insurmountable differences between countries and even between regions in the same country (Papavassiliou & Stathakopoulos, 1997). Followers of this school stipulate that multinational companies should identify how to adjust marketing tactics and strategies and the accompanying marketing mix in terms of how they sell and distribute, in order to satisfy market requirements. (Vrontis, Thrassou & Lamprianou 2009, 478-479.)

However, a certain consensus agreed that standardization and adaptation co-exist has emerged in recent years. Vrontis & Kitchen (2003) argued that the marketing reality for multinationals does not belong to either of these two polarized positions, as both processes likely co-exist, even within the same company, product line, or brand. (Vrontis, Thrassou & Lamprianou 2009, 479.)

Hence, the international marketers should decide the degree to which they should standardize or adapt each component of the international marketing mix. In fact, some elements of the marketing mix such as place, promotion and price are more adaptable than others are. In this regard, product is the hardest element to adapt. (Onkvisit & Shaw 2009, 347.)

Doole & Lowe (2001) suggested a continuum of standardization and adaptation for firms to decide the balance between standardization and adaptation for each element of marketing management (see Figure 6). In the continuum, they indicated that product and service image is generally easier to standardize than promotion, distribution, and pricing.

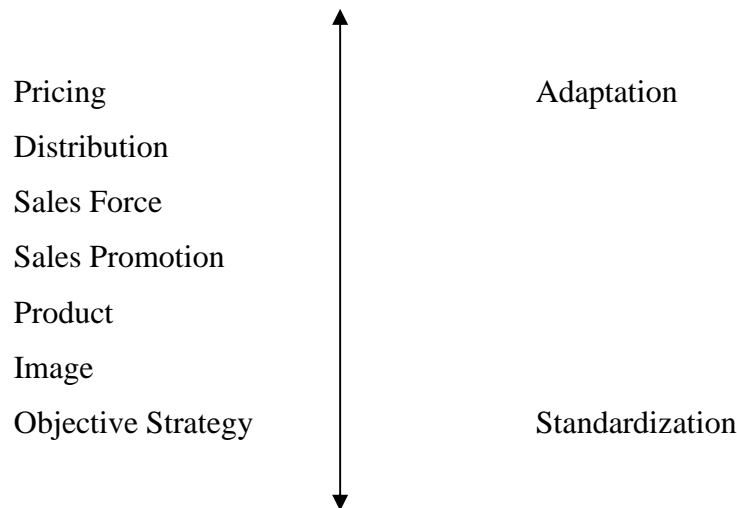


FIGURE 6. Continuum of standardization and adaptation. (Doole & Lowe 2001, 225.)

Doole & Lowe (2001, 225-226.) also agreed that in reality, firms adopt a combination of standardization and adaptation. In this regard, they manage the marketing programs and processes by globalizing some elements and localizing others.

Many factors affect the choice of standardizing or adapting the marketing mix of an organization. In order to provide a general picture about these two approaches, the overall comparison of standardization and adaptation are summarized in the following table.

TABLE 4. Comparison of standardization and adaptation. (Adapted from Czinko-
ta & Ronkainen 2000, 306-309.)

	Standardization	Adaptation
Product	Industrial products for which technical specifications are important	Services and consumer products which are more susceptible to be influenced by individual tastes, favors adaptation
Costs	Lower costs as a result of economies of scale in production, marketing and R&D	Higher cost of implementation
Consumer needs	Similarity of customer tastes and consumption patterns across different markets that have analogous income levels and economic growth	Variations in consumer purchasing
Politics	Centralization of authority for establishing policies and allocating resources	Differences in government regulation, e.g. products' technical standards, local content laws and tax policies
Subsidiary	Strong linkage of the subsidiary and the headquarters	Independence and autonomy of national subsidiaries, which may develop their own products
Competitors	Standardization strategy followed by competitors	Adaptation strategy followed by competitors
Management orientation	Ethnocentric orientation	Polycentric orientation
Stages of development	Foreign and domestic markets for a product are in same stages of development	Foreign and domestic markets for a product are in different stages of development

A. Standardization versus adaptation of product

Kotler defined product as anything that can be offered to a market for attention, acquisition, use or consumption that may satisfy a want or need (Kotler, Harker & Brennan 2009, 230.). Products include tangible and intangible goods. Generally, products consist of physical objects, services, events, persons, places, organizations, ideas or mixes of these entities. The terms “product” and “service” are different in international marketing. Services are characterized by (see Figure 7):

- **Intangibility:** Service intangibility means that services cannot be seen, tasted, felt, heard or smelled before they are bought. For instance, people undergoing spa services cannot see the result before the purchase. Tangible elements of the service, such as food, drink, gift on airline flights, etc., are used as part of the service in order to confirm the benefit provided and enhance its perceived value.
- **Perish-ability:** Service perish-ability means that services cannot be stored for later sale or use. For example, unfilled airline seats are lost once the aircraft takes off. The perish-ability of services is not a problem when demand is steady. However, when demand fluctuates, service firms often have to deal with many difficult problems.
- **Variability:** Service variability means that the quality of services is rarely the same, because they involve interactions between people. For example, some hotels such as Hilton or Park Hyatt, they have reputations for providing better service than others do.
- **Inseparability:** Service inseparability means that services cannot be separated from their providers, whether the providers are people or machine. If a service employee provides the service, then the employee becomes a part of the service.

(Kotler, Harker & Brennan 2009, 254 and Doole & Lowe 2001, 292.)

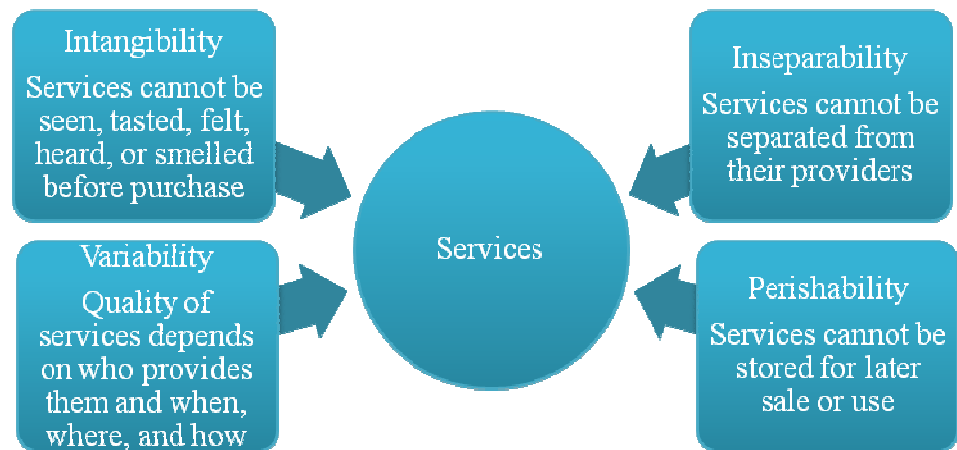


FIGURE 7. Four main characteristics of service. (Kotler, Harker & Brennan 2009, 254.)

Products and services are categorized into two broad classes based on the types of consumers that use them – consumer products and industrial products. While consumer products are defined as products and services bought by the final customers for personal consumption, industrial products are those purchased for further processing or for use in conducting a business. (Kotler, Harker & Brennan 2009, 232-233.)

The core value of a firm's operations is its products or services. Consequently, success of the firm depends on how good its products or services are and how well it is able to differentiate from the offerings of competitors (Czinkota & Ronkainen 2000, 305.). Obviously, customer satisfaction is one of the key factors on which every firm should concentrate. In order to reach new international markets, the firms have to choose the right strategy for launching its products or services. As stated before in the previous pages, there are three means for marketers to develop the products or services internationally, namely standardization, adaptation or a combination of these approaches.

According to the continuum of standardization and adaptation of Doole & Lowe (see Figure 6), the product is generally the easiest factor to standardize in compar-

ison with other elements of international marketing mix. Woods (1995, 169) also agreed that the product component is the most frequently standardized part of the marketing mix since the other variables in the marketing mix are much more susceptible to environmental influences. The reasons lead a firm to product standardization are more rapid recovery of investment, better organized and controllable of product management. Furthermore, product standardization opens possibilities for the firm to reduce costs through economies of scale and the experience effect throughout most of the firm's operations, such as production, advertising and distribution. (Doole & Lowe 2001, 298.)

On the other hand, product standardization may not always be possible due to environmental constraints such as legal standards, social and cultural factors. Additionally, product adaptation becomes more suitable for the firm to satisfy customer demand. Cavusgil & Zou (1994) specified that industrial products tend to be less culturally grounded and warrant less adjustment than consumer goods. (Czinkota & Ronkainen 2000, 307.)

The advantages and disadvantages of standardization and adaptation of product are briefly expressed in Table 5.

TABLE 5. Arguments for standardization and adaptation of product. (Adapted from Onkvisit & Shaw 2009, 247-259.)

Product standardization	Product adaptation
<p>Simplicity: It is an easy process for executives to understand and implement</p> <p>Cost-effective: Reduction of production costs</p> <p>Highly product image</p>	<p>Mandatory adaptation, such as:</p> <ul style="list-style-type: none"> • Government regulation • Electrical current standards • Measurement standards • Product standards <p>Optional adaptation is based on the international marketer's discretion in taking action, such as:</p> <ul style="list-style-type: none"> • User's habits • Cultural differences

Czinkota & Ronkainen (2000, 307.) indicated that there is a relationship between degree of cultural grounding and product adaptation. These authors confirmed that the higher the cultural grounding of a country is, the more need for product adaptation is. Moreover, consumer products need to be adapted more than industry products. As shown in Figure 8, need for adaptation depends on the degree of cultural grounding and the nature of products.

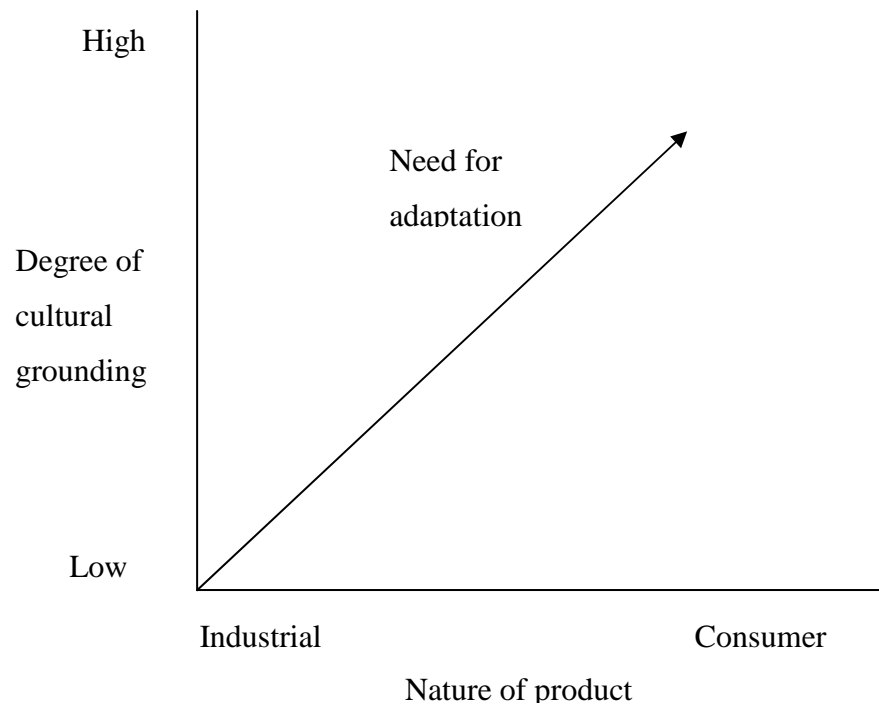


FIGURE 8. Strategic adaptation to foreign markets. (Adapted from Czinkota & Ronkainen 2000, 307.)

Besides, several firms would like to balance the degree of standardization and adaptation of their products or services to fulfill the needs of the local market. The product element of the marketing mix is often cited as the most standardized element. However, within the product element, there are various attributes being more or less likely to be standardized (Usunier & Lee 2005, 249.). Based on three levels of products and services – benefits, attributes, and marketing support service - of Kotler (1997), Doole & Lowe (2001, 295.) suggested the following diagram for standardization or adaptation of different elements of the product or service. Degree of standardization and adaptation of three levels of the product or service is illustrated in Figure 9. As can be seen from Figure 9, the degree of standardization of the elements of product or service is more difficult from the top to the bottom and from the left to the right of the diagram.

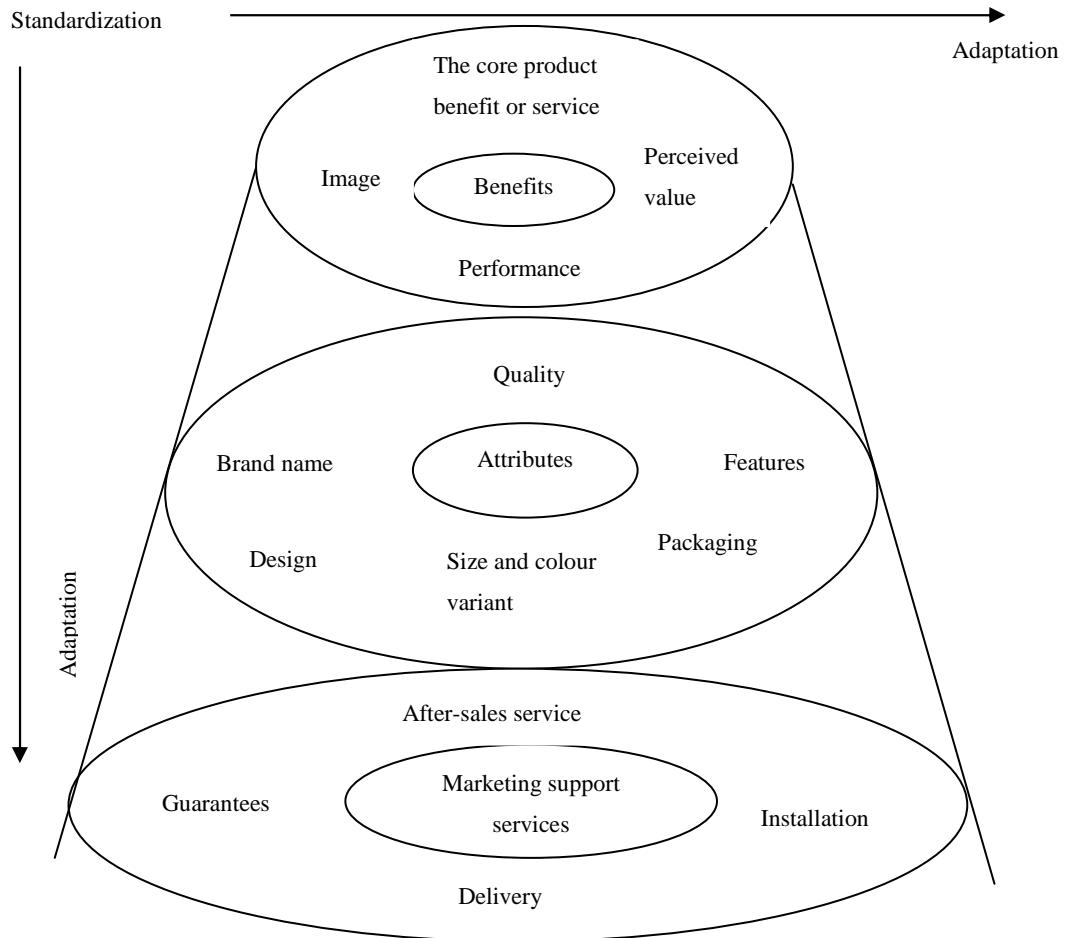


FIGURE 9. Degree of standardization and adaptation of three levels of the product or service. (Adapted from Doole and Lowe 2001, 295.)

B. Standardization versus adaptation of price

Price is the other important element of the marketing mix. In the narrowest sense, price is the amount of money charged for a product or service. More broadly, price is the sum of all the values that customers spend in order to gain the benefits of having a product or service. (Kotler, Harker & Brennan 2009, 298.)

Price is the only element in the marketing mix that produces revenue while all other elements represent costs. Price is also one of the most flexible elements of the marketing mix (Kotler, Harker & Brennan 2009, 298.). Therefore, a right pricing strategy is essential for a firm in international markets.

The pricing decisions are affected by internal company factors as well as external environmental factors. The internal factors can be marketing objectives, marketing mix strategies, and costs. In contrast, external factors can be the nature of the market and demand, competition, and other environmental factors such as economy, reseller and government (Kotler et al. 2005, 665.)

According to Hollensen (2008, 339.), two general price-setting strategies in international marketing are price standardization (or ethnocentric pricing) and price adaptation (or polycentric pricing).

- Standardization, or ethnocentric pricing, is based on setting price for the product or service as it leaves the factory, irrespective of its final destination. With this method, the firm will apply the same pricing mix for all target markets.
- Adaptation, or polycentric pricing allows each local subsidiary or partner (agent, distributor, etc.) to set a price which is considered to be the most appropriate for local conditions, and no attempt is made to coordinate prices from country to country. In this case, pricing is particularly set for each marketplace.

Price standardization and price adaptation are opposite. The advantages and disadvantages of these two approaches are shown in Table 6.

TABLE 6. Comparison between pricing standardization and pricing adaptation.
(Adapted from Doole & Lowe 2001, 420.)

Pricing standardization	Pricing adaptation
Low-risk strategy as a fixed return is guaranteed	Profits and sales volume can increase due to different markets
Good image of multi-national firms	Lack of control because of market-differentiated pricing
No effort is made to maximize either profits or sales volume because they set the same price for all markets	Bad image of multi-national firms
Used when selling highly specialized manufacturing plant	

From the continuum of standardization and adaptation of Doole & Lowe (Figure 6), it can be seen that pricing is the most frequently adapted part of the marketing mix. The physical separation of markets allows the use of different prices in domestic and foreign markets by international marketers. (Woods 1995, 181.)

However, in these days, development of science and technology has led the world to changes. When the internet has occurred, pricing standardization becomes more applicable because the price is easily compared. Additionally, the appearance of many trade blocs such as the EU has made it more difficult to differentiate price within the Euro-zone because they have a single currency from 1999. (Europa 2011.)

C. Standardization versus adaptation of place (distribution)

Distribution includes decisions and activities that make products available to customers when and where they want to purchase them. A channel of distribution is an organized network of agencies that combine to link producers with users.

Choosing a type of distribution channels to use is a major decision in the development of marketing strategies. A distribution decision is a long-term decision, so when established it can be difficult to extract a firm from existing agreements. As

a result, the firm needs to make a suitable and flexible distribution decision for its long-term development. (Pride & Ferrell 2011, 331 and De Búrca 2004, 390.)

It is complicated to standardize the distribution because distribution channels vary from one country to another. According to Doole & Lowe (2001), channels of distribution have usually developed through the cultural traditions of the country. Thus, there are great disparities across nations, which make the development of any standardized approach difficult. In addition, customer characteristics are different from culture to culture. It is necessary to research not only what customers' needs but also why they buy, when they buy and how they buy. The place of distribution is very important since it affects customer's consumption ability. Moreover, types and the quantity of intermediaries are various depending on a country's distribution system. For these reasons, standardization of the distribution is definitely challenged for a firm operating in international marketplaces. On the other hand, adaptation of the distribution can help the firm reduce cost and thereby increase profitability. (Doole & Lowe 2001, 376.)

Standardizing or adapting distribution depends on many factors such as the nature of market, customer characteristics, nature of product, culture, law legislation, etc. As a result, the decision-making between standardization and adaptation of the distribution is not simple. However, distribution is generally considered as the component of marketing mix that is more adapted. (Onkvisit & Shaw 2009, 439.)

D. Standardization versus adaptation of promotion

A company's total promotion mix – also called its marketing communications mix – consists of the specific blend of advertising, public relations, personal selling and sales promotion. Definitions of these major promotion tools are explained as follows:

- Advertising: any paid form non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

- Sales promotion: short – term incentives to encourage the purchase or sale of a product or service
- Personal selling: personal presentation by the firm’s sales force for the purpose of making sales and building customer relationships.
- Public relations: building good relations with the company’s various publics by obtaining favorable publicity, building up a good corporate image, and handling or heading off unfavorable rumors, stories, and events.

(Kotler & Armstrong 2011, 405.)

Like other elements of the marketing mix, a firm also needs to make decisions about the degree to which promotion mix should be standardized or adapted.

Standardization of the promotion mix would mean adopting the same basic communication strategies in foreign markets. The first reason driving the firm to standardize the promotion mix is its desires to improve efficiency and save costs. Second, standardization of communication provides customers with perceived added value, particularly in the intangible elements of the products or services offered. Customers believe that they gain additional benefits and values from a consistent and widely recognized image. Additionally, standardization of the promotion mix increases the firm’s identity and branding because it will reinforce awareness in stakeholders’ minds and provides the familiarity with the company’s image. For example, a familiar logo and appearance of a fast food outlet, hotel chain or bank will lead the customers to a feeling of confidence, trust and loyalty. Furthermore, changes in the political and economic environment such as the appearance of telecommunications, IT and internet have considerably assisted in creating worldwide segments for many more globally standardized products and services over the years. (Doole & Lowe 2001, 336-337.)

Adaptation of the promotion mix is likely due to the differences from country to country all over the world. The principle reasons driving marketing communications mix adaptation approach are the cultural differences. In fact, the cultural environment should be managed when marketers communicate with customers in

different countries. For example, many companies have to change their brand name because of different meanings it has when moving to new marketplaces. Customers come from different cultures respond to different communication approaches. In this sense, adaptation of the promotion mix is more applicable. In addition, other environmental factors such as political and legal constraints make it necessary for the communications strategy to be adapted for local situations. (Doole & Lowe 2001, 338-339.)

Standardization or adaptation of the promotion mix therefore depends on the strategies as well as the goals at which the organizations aim. The factors have led a firm to standardize or adapt its promotion are shortly summarize as in Table 7.

TABLE 7. Factors driving promotion standardization and adaptation. (Adapted from Doole & Lowe 2001, 338-339.)

Factors driving promotion standardization	Factors driving promotion adaptation
Improving efficiency and saving costs	Customer satisfaction
Increasing firm's image	Cultural differences
Increasing customer's trust, loyalty	Other environmental factors such as political and legal constraints
Trend of globalization	

2.3 Impacts of cultural differences on standardization and adaptation of the marketing mix

Culture is an essential part of every society and an important factor that influences a person's desires and behavior because it embodies the objects used in everyday life and in the modes of communication in society. The effects of culture on customer's purchase decision vary from nation to nation. Hollensen (2008, 157.) affirmed that culture has considerable influences on developing marketing strategies

in international marketplaces. In other words, culture has direct or indirect impacts on each component of the marketing mix of a firm.

The first element of the marketing mix – product is considerably affected by culture. In reality, customer's culture is one of the main factors that marketers should pay attention to when introducing products or services to new markets in order to satisfy the customer's demand. Understanding consumer's culture will assist the firms develop the products or services to higher level as well as increase their sales volume.

The second factor of the marketing mix – price is also influenced by culture. As price is a decisive element in the interaction between buyers and sellers, culture plays a role in price setting and negotiation. Culture, for example, affects the bargaining over price in some societies (in some cultures, people like to bargain whenever they buy goods) and some aspects of pricing strategy such as “higher price, higher quality” psychology. Onkvisit & Shaw (2009, 577.) stated that culture is one of the most important aspects which is more applicable for a company to make pricing decisions in international markets.

The third component of the marketing mix – place (distribution) needs to deal with cultural differences as well. Distribution channels are designed to bridge the gap between domestic sellers and international buyers and vice versa; consequently, it is significantly culturally influenced. In this case, Japanese distribution system is a good illustration of the impact of culture on the distribution system. Since the Japanese are extremely fastidious about detail and quality of service, retailers decide to provide home delivery, stay open 12 or 13 hours a day, are open most days, readily accept return of goods and are liberal in offering credit to regular customers. (Stock & Lambert 2001, 569-570.)

The final element of the marketing mix, promotion, also relates to the culture of target countries. Culture affects what people like and dislike and how they interpret signals and symbols, as well as their attitudes towards and biases against par-

ticular products or services. These issues need to be taken into account when the firm wants to improve its promotion mix. (De Búrca 2004, 402 – 403.)

Thus, it may be concluded that each component of the marketing mix is significantly affected by culture. Regarding the standardization and adaptation approach, the theories presented in the previous parts of this chapter indicate that there is a link between these two approaches and the marketing mix. From the arguments above, a diagram about culture influences on the choice of standardization or adaptation approach of the marketing mix is established as follows:

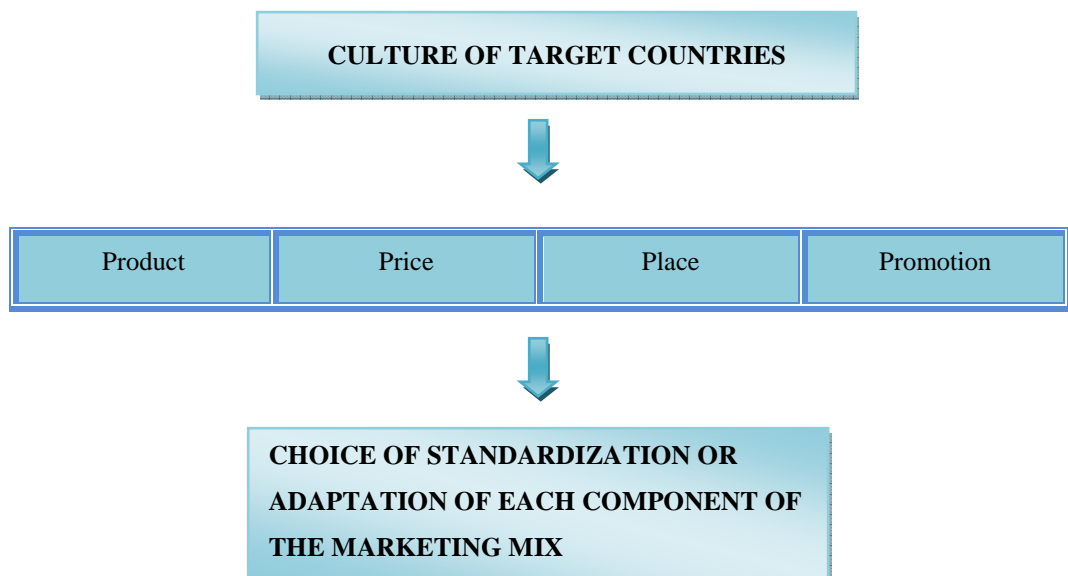


FIGURE 10. Influences of culture on choice of standardization or adaptation of the marketing mix

Figure 10 shows that the culture of target countries has influences on each component of the marketing mix. As a result, an organization should take into consideration cultural factors when deciding whether it should standardize or adapt these elements to major segments.

In this regard, Edward T. Hall's high – and low – context and Greet Hofstede's four plus one dimensions model are considered as effective tools for marketers to se-

lect the strategic approach between standardization and adaptation for each element of the marketing mix.

With reference to Hall's high – and low – context, this theory focuses mostly on communication between people in different cultures. It is used to support the marketers to identify the right selection between standardizing and adapting the international communications mix or promotion mix for the firm in foreign markets.

Concerning Hofstede's four plus one dimensions, it helps to explore how the customers may react when a new product or service is launched into their country. Thanks to Hofstede's theory, the firm can deal with customer's behavior and then decide which approach between standardization and adaptation the company should follow for promoting each element of the marketing mix in international markets. Indeed, it is impossible for the firm to apply the same marketing approach for all components of the marketing mix to all target markets. Therefore, a balance between standardization and adaptation becomes a strategic decision that international marketers have to determine.

3 BQTV'S WEDDING SERVICES IN INTERNATIONAL MARKETS

In this chapter the case company background is shortly presented. Then the current situation of the wedding business in Vietnam is critically analyzed. The chapter also includes competitors' SWOT analysis and SWOT analysis of BQTV's wedding services. Additionally, BQTV's wedding services in international markets are discussed. The chapter is designed to provide needed information concerning BQTV's wedding business. Based on the information, further recommendations for BQTV to introduce its wedding services to foreign markets will be covered in the next chapter.

3.1 Company overview

Binh Quoi Tourist Village (BQTV) was established in 1994, is a state enterprise under Saigontourist Holding Company. BQTV is a group of popular tourist areas, recreation parks and restaurants in Ho Chi Minh City, Vietnam. The turnover of the company in 2009 was around 300 billion VND (approximately 15 million USD). Main business operations of the company mainly consist of catering services, accommodation services, leisure services, the culinary festivals, and wedding services. The company has five main subsidiaries:

- Binh Quoi 1 Tourist Area
- Binh Quoi 2 Tourist Area
- Tan Cang Tourist Area
- Van Thanh Tourist Area
- Saigon floating restaurant

Table 8 shows the general information about the location, special characteristics, the capacity, and operating activities of the five main subsidiaries of BQTV.

TABLE 8. Comparison of five main facilities of BQTV. (BQTV 2010.)

	Binh Quoi 1 Tourist Area	Binh Quoi 2 Tourist Area	Van Thanh Tourist Area	Tan Cang Tourist Area	Saigon floating restaurant
Introduction in brief	Located 8 kilometers from Ho Chi Minh city centre The total land area: nearly 35,000 m ² Abuts on Saigon River in the North West Decorated as a miniature model of a typical Vietnam's southern village	Located 11 kilometers from Ho Chi Minh City centre The total area is 25,400m ² Bounded by Saigon river Decorated as a fishing village	Located 3 kilometers from Ho Chi Minh city centre The total land area: approximately 80,000m ² , including a artificial lake in the middle	Located 5 kilometers from Ho Chi Minh city centre The total area: 24,800 m ² Stretching along Saigon river	Anchored at Bach Dang Harbor (in Ho Chi Minh City centre)
Capacity	Hoa Mua Restaurant can cater up to 300 people “Cuisine of the South Rec-lamation” area with the capacity for 1,000 guests Outdoor garden can serve 3,000 guests at the same time 20 bungalows along Saigon river	2 riverside restaurants with the capacity for 300 guests Open-air picnic area for 600 people Traditional wedding show stage can serve 100 guests 45 bungalows along Saigon riverside	10 function restaurants specialized for wedding banquet, with the total capacity for 3,500 guests Outdoor area for 3,500 guests at the same time	6 function restaurants specialize for wedding banquet, with the total capacity is 2000 guests Outdoor garden can serve 3000 guests at the same time 40 hotel rooms with all modern conveniences	Is a three-level floating restaurant with capacity for 700 guests
Operating activities	Food services: a-la-carte, buffet, party celebration Wedding services Many kinds of leisure activities: fishing, picnic, boat, etc. Accommodation services: bungalows	Food services: a-la-carte, buffet, party celebration Different kinds of leisure activities: fishing, picnic, tennis, swimming, karaoke, billiards, etc. Accommodation services: Vietnamese traditional wedding show on every weekend	Mainly focuses on food services: a-la-carte, buffet, party celebration Wedding services	Food services: a-la-carte, buffet, party celebration Wedding services Leisure services: tennis, sauna, massage, steam bath, etc	Food service: buffet Sightseeing tour on Saigon river

The four tourist areas and Saigon floating restaurant have independently contributed to BQTV's turnover. In 2009, the turnover of BQTV was approximately 15 million USD. Van Thanh Tourist Area made up the biggest part, with 4.5 million USD. Binh Quoi 1 Tourist Area and Tan Cang Tourist Area accounted for the same weight, with 4 million USD. The fourth position was Binh Quoi 2 Tourist Area. Finally, Saigon floating restaurant formed the smallest part of BQTV's total turnover in 2009 (BQTV 2010.). The pie chart below shows the proportion of BQTV's turnover in 2009.

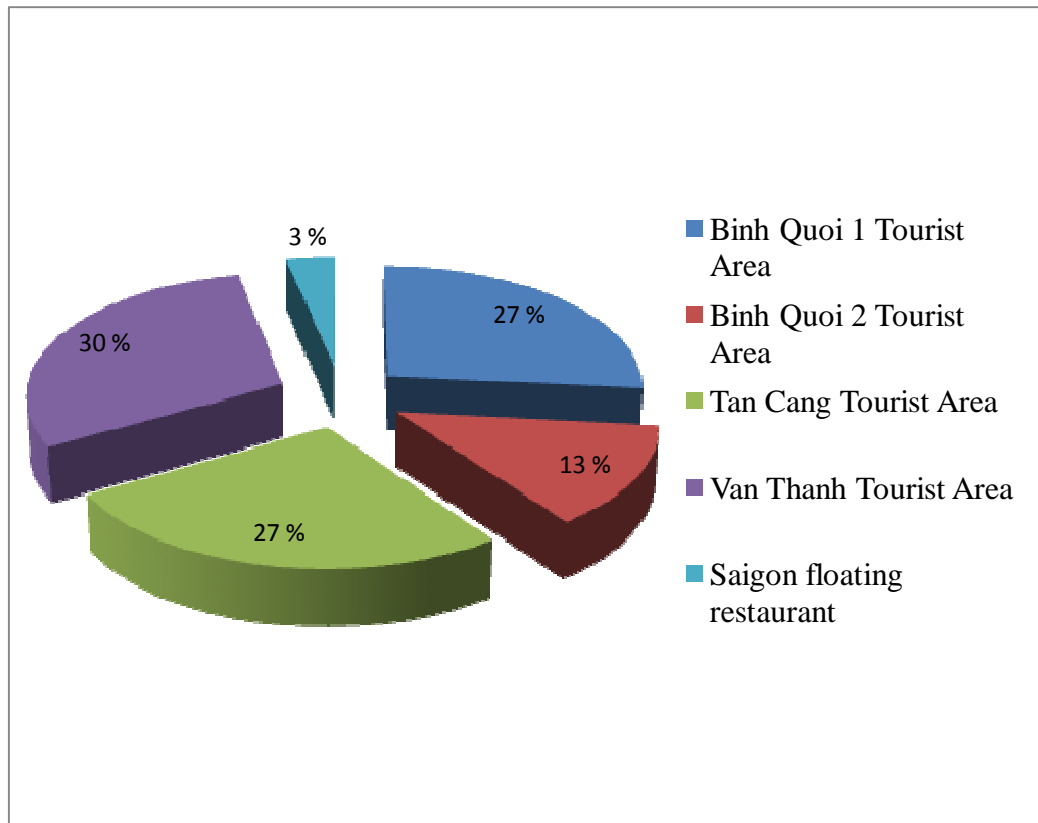


FIGURE 11. The turnover of BQTV in different segments in 2009. (BQTV 2010.)

3.2 Reasons behind the choice of developing BQTV's wedding services

After the five-year operating period, BQTV suffered from a decrease in sales. In 1999, the company's turnover reduced sharply by nearly 20% compared to 1998. There were two main factors led the company to this problem.

Firstly, BQTV followed wrong management policies. The firm did not upgrade its services and products for a long time. Moreover, its organizational structure did not work efficiently. No new services were added, so BQTV was left behind in comparison with other recreation parks at that time. In addition, the organizational structure was overlapped because it was not divided into independent departments. These problems caused BQTV a chaotic situation. (Nguyen, V.N. 2000.)

Secondly, the company was influenced by the external factors. Among them, the competitive environment was one of the biggest obstacles. BQTV did compete with many newcomers who were entering its industry. The firm lost a large number of customers to its competitors. In the years 1999-2000, numerous luxury restaurants and hotels were established in the center of Ho Chi Minh City, which led BQTV to a more difficult situation. Thus, it was essential for BQTV to find a right direction for its business. Many strategic plans were proposed, and solutions from Nguyen, V.N. (BQTV's marketing manager) were highly appreciated by the Board of Directors. He suggested that BQTV should follow a strategic innovation including two main areas: product and marketing innovation (see Figure 12).

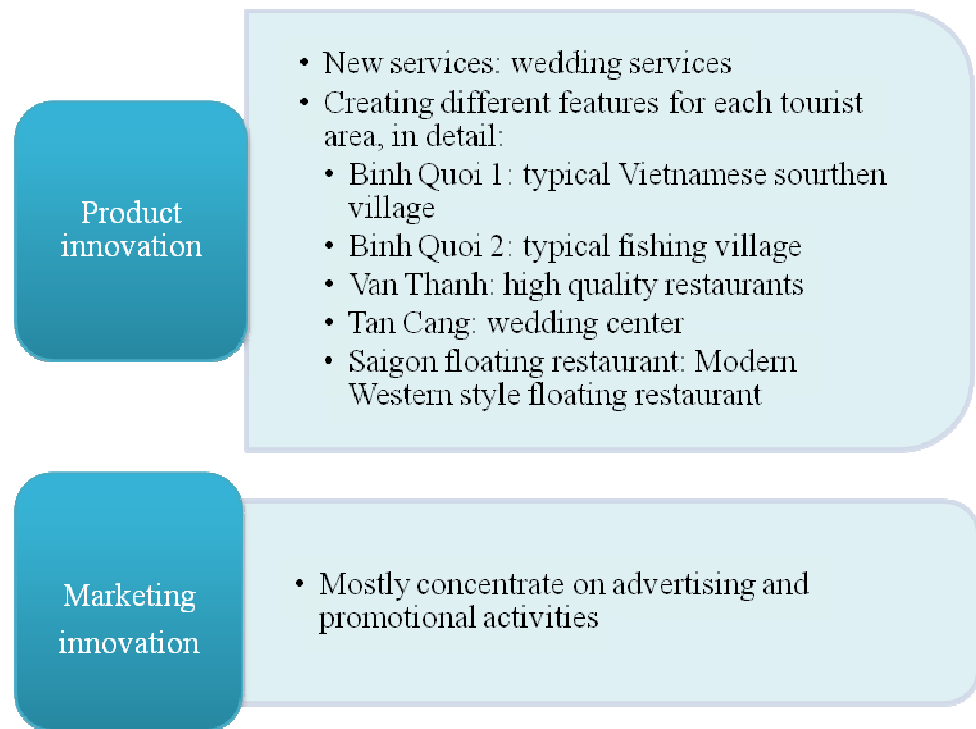


FIGURE 12. BQTV's business innovation five-year plan. (Nguyen, V.N. 2000.)

The reform focused mainly on the product innovation and was carried out during the five-year period from 2000 to 2005. The target for the project was to increase BQTV's turnover by 10% every year. With strong efforts, BQTV not only met its goal but also exceeded the target, especially in the field of wedding business. Nguyen, V.N. affirmed that the most successful factor of the plan was wedding services implementation. In 2005, the revenue obtained from the wedding business represented 29.5% of the total of the company (See Figure 13). The project was considerably successful and BQTV became a pioneer in the wedding industry of Ho Chi Minh City at that moment. In the next five years from 2006 to 2010, the firm built favorably its image in domestic market and ranked in Top Well-known Vietnamese Trademark in 2006 and 2008 in restaurant and wedding industry. (BQTV 2010.)

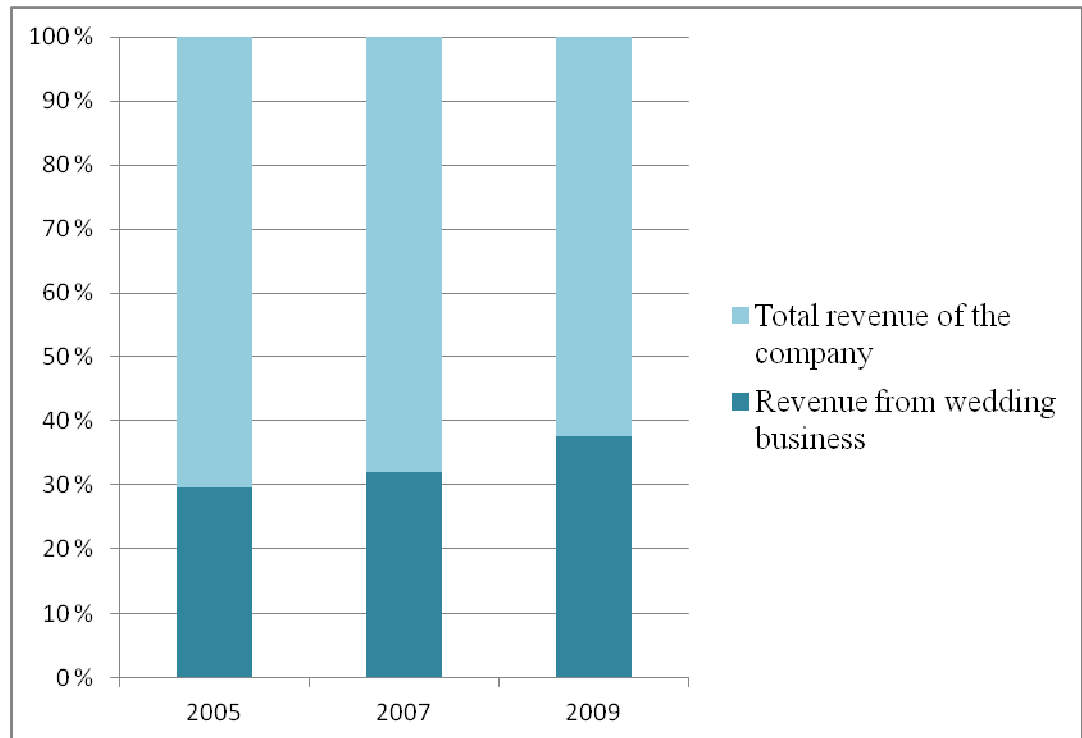


FIGURE 13. Contribution of wedding business in BQTV's revenue in 2005, 2007 and 2009. (BQTV 2010.)

In spite of achieving the high position in the Vietnam service industry, the company has been facing threats from their competitors. Since the domestic market has been increasingly saturated, it is important that the company find new segments, for example the foreign customers. As a result, the company has decided to expand the market by attracting the overseas customers to use BQTV's services. (Nguyen, V.N. 2010.)

In this regard, wedding services were chosen as a new means for BQTV to attract international customers. There were two main reasons for this decision. The first reason was that BQTV's strengths were suitable for development of the wedding business. In fact, BQTV has been a new destination which attracts a number of foreign customers. The second reason was the support of BQTV's mother company - Saigontourist Holding Company. When established, Saigontourist Company was just a travel agency. Then the company diversified its business to other fields such as restaurants, hotels, transportation, import – export services, etc. Though

Saigontourist operates in many different sectors, tourism industry always comes high on the company's list of priorities. Saigontourist Holding Company has been ranked by Vietnam National Administration of Tourism as one of the leading tourism corporations in Vietnam because of its important contribution to Vietnamese tourism industry for many years from 1999 to this moment. In 2009, Saigontourist received 203,114 foreign visitors. The number of foreign customers choosing honeymoon packages accounted for 8.5% of the entirety. This means 17,265 overseas customers bought the honeymoon tours from Saigontourist. Saigontourist Company has planned to allocate the honeymoon customers to BQTV so that the case company may become a new destination for newly married couples. BQTV's own strengths along with the support from its mother company play a crucial role in assisting BQTV in launching its new wedding services into its chosen markets. (Saigontourist 2010 and Tran, D. P. & Nguyen, M.H. 2010.)

3.3 Current market situation

Market trends are the external factors to which an organization should pay attention when entering any marketplaces. Scanning and understanding the market situation are, thus, extremely important for further development of the case company.

Vietnamese wedding culture

In order to study market trends of the wedding industry in Vietnam, it is necessary to understand that a wedding is one of the most important ceremonies in Vietnamese culture. Because of having collectivistic characteristic, the Vietnamese believe that wedding is not only a love celebration between two people but also a big event for families, relatives and friends.

Depending on customs of different ethnic groups, a Vietnamese marriage contains various steps, but generally, there are two main ceremonies:

Betrothal ceremony

Before the wedding, the groom and his family visit the bride and her family with gifts known as betrothal presents. The betrothal ceremony is an official meeting between the groom and bride's parents to come to a unanimous decision for their children's wedding. Both families will arrange the wedding day and rites in this ceremony. (Vietnamese wedding customs 2010.)

Wedding ceremony

Based on different religions, the wedding ceremony in Vietnam is distinctly hosted. However, the traditional rites are almost similar and indispensable. On the wedding day, the groom's family, relatives and best friends go to the bride's house bringing many gifts wrapped carefully in boxes covered with red cloth. These gifts are traditional ones, including areca nuts, betel leaves (which symbolize for a faithful love in the Vietnamese culture), tea, cakes, fruits, wines, etc. In this day, female guests are usually dressed in formal wedding dress or the Vietnamese traditional dress - Aodai, and men are in formal suits. (Vietnamese wedding customs 2010.)

Reception party is an essential part of the wedding ceremony in Vietnam. According to the Vietnamese saying "the more the merrier", a great number of guests are invited to join the party and celebrate the couples' happiness. Guests are not only the relatives, friends and neighbors of the groom and bride, but including those of their parents. The quantity of guests depends on the couples' social relationship. Nguyen, V.N. (2010) stated that the average number of guests of a wedding party held in big city (such as Ho Chi Minh City and Hanoi) is approximately 400 people. A wedding banquet is usually scheduled at a hotel or big restaurant. At the banquet, the groom, bride and their parents will say thank to all guests. The guests in return, will give gifts or envelopes containing lucky money to the newly wedded couple along with their best wishes. When all rites are completed, the newly wedded couples then leave for their honeymoon. (Vietnamese wedding customs 2010.)

General information about wedding industry in Vietnam

As the wedding is one of the most beautiful moments in human's life, people do not hesitate to spend a large amount of money in this occasion. For this reason, many products and services are provided to satisfy the couple's needs in their great day. Consequently, the wedding industry has considerably increased over the years.

Vietnamese wedding market

General Statistics Office of Vietnam (2010) provided the statistics concerning Vietnamese wedding in 2009 as follows:

- The median age for first time brides is 23 years, for grooms is 25 years
- An average of 6,900 weddings are performed each weekend
- Average number of wedding guests is 300
- The top three popular months for a wedding take place in Vietnam in order are: December, November, and October

The number of possible wedded couples accounted for 21.7% of the total population of Vietnam in 2009. Meanwhile, the population of Vietnam nearly reached the milestone of 86 millions in 2009. In addition, although average income is around 3,000 USD in 2009, the average amount spent on a Vietnamese wedding is 4,500 USD. These figures state that the Vietnamese are willing to spend approximately one and half times their annual income on a wedding ceremony. Table 9 indicates the average amount that a Vietnamese couple spends on their wedding. In this table, it can be seen that people consume a large amount of money for a wedding in Vietnam. From these statistics, it is comprehensible that wedding services for Vietnamese have a great potential. That is the reason why the wedding business is one of the hottest investment fields at present, especially in big cities such as Ho Chi Minh City and Hanoi. (CIA 2010 and General Statistics Office of Vietnam 2010.)

TABLE 9. Different amount (USD) spent on a wedding in big cities and countryside area in Vietnam in 2009. (General Statistics Office of Vietnam 2010.)

	Big cities	Countryside area
The average amount spent on a wedding	6,000	3,000
Average amount spent on a wedding reception party	4,000	2,000
Average amount spent on a wedding photograph service	300	N/A
Average amount spent on renting wedding dresses	200	100
Average amount spent on other services and expenditures	1,000	300
Average budget of honey moon trip	500	N/A

Additionally, wedding business is an industry that includes multiple smaller services such as restaurant, hospitality, clothing, photography, different beauty services (hair, makeup, etc.), travel services, etc. Wedding services, therefore, play an essential role in the structure of Vietnam service industry, especially in restaurant and hotel industry. For instance, in Ho Chi Minh City, approximately 50% revenue of large-scale restaurants and hotels contributed by wedding reception and dinner celebration in 2009. More than 50 registered wedding centers were established in Ho Chi Minh City from 2007 to 2009. From these figures, it is possible to conclude that the wedding business has significantly developed in Ho Chi Minh City. (Pham, Q & Le, T. 2009.)

Wedding business for foreigners in Vietnam

Nowadays, wedding services for foreigners in Vietnam mostly derive profit from honeymoon tours and wedding between foreigners and the Vietnamese. Even though the number of bicultural couples has recently increased, it is definitely not

the main source of revenue for the wedding business in Vietnam. The reason for this is that the weddings of bicultural couples do not occur regularly. Moreover, the market share of bicultural wedding just accounted for nearly 2% of the total number of weddings in Vietnam in 2009 (General Office for Population Family Planning of Vietnam 2010.). However, the main source of foreign customers comes from travel services. According to the statistics published by Vietnam National Administration of Tourism, the total international arrivals to Vietnam reached 3.78 millions in 2010. Among them, the honeymoon package made up 6.9% of the total visitors. Moreover, the percentage of foreigners arriving to Vietnam for their honeymoon went up dramatically by nearly 20% from 2007 to 2009. These numbers show that the honeymoon packages play an important part in the development of the wedding business for foreigners in Vietnam. (Vietnam National Administration of Tourism 2010 and Pham, H.H. & Nguyen, T.C 2010.)

However, in order to expand market of the wedding business to overseas customers, it completely requires an integrated growth, not just the honeymoon tours business. Thus, more wedding business related to services should be created and added more value to attract a larger number of the foreign customers.

3.4 Competitor's analysis

As BQTV is not the only player in the market, it is vital to have good knowledge about major competitors to create the company's competitive edges. Competitors' analyses are valuable examples for BQTV to study and draw practical lessons. In fact, the number of players in the wedding industry in Vietnam generally and in Ho Chi Minh City particularly is huge. It is impossible to list all competitors; however, the main competitors of BQTV can be divided into two groups, namely high brand recognition wedding celebrators in Ho Chi Minh City, and big resorts in other tourist cities in Vietnam. BQTV should pay more attention to these two groups because they have also aimed at foreign customers. With respect to the competitors' comprehension, SWOT analysis is used to analyze their strengths, weaknesses, opportunities and threats. Table 10 and Table 11, therefore, were designed to analyze the main competitors of BQTV.

TABLE 10. SWOT analysis of high brand recognition wedding celebrators in Ho Chi Minh City (Vietnam National Administration of Tourism 2010 and Nguyen, V.N 2010.)

<p>Strengths</p> <ul style="list-style-type: none"> • High brand recognition in wedding industry in Ho Chi Minh City • Experts in wedding business • Located in Ho Chi Minh City center • Possess luxury and modern wedding halls • Celebrate professional Western style weddings • High performance of staffs with good language skills • High quality services 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of natural atmosphere because of their location in the center of the city • High price of services • Traffic jam in city center, especially in rush-hours • Have not offered whole package including church services and marriage license services
<p>Opportunities</p> <ul style="list-style-type: none"> • Fast growth in wedding industry in Vietnam, especially in Ho Chi Minh City • Increase in number of foreign honeymoon packages to Vietnam • Vietnam is a new destination for international tourists • Many foreigners are working and living in Ho Chi Minh City center, so these places are familiar with them 	<p>Threats</p> <ul style="list-style-type: none"> • Threats of competitors: Numerous famous wedding celebrators in Ho Chi Minh City center, and the competitions between them are fierce • Power of consumers: Customers easily change their decision if these places do not meet their demands

TABLE 11. SWOT analysis of big resorts in other tourist cities in Vietnam.
(Vietnam National Administration of Tourism 2010 and Nguyen, V.N 2010.)

<p>Strengths</p> <ul style="list-style-type: none"> • Naturally friendly places and most of them are located near beaches. Among them, Nha Trang (one of the most world's beautiful beach city) is well-known with numerous foreign tourists. • Competitive price in comparison with alternative services in Ho Chi Minh City • Good language skills of staffs because their target customers are foreigners 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lower quality in comparison with wedding services in Ho Chi Minh City • Price is fluctuated between high tourist season and low tourist season • Church service and marriage license are not included in the wedding services at this moment
<p>Opportunities</p> <ul style="list-style-type: none"> • Increase in number of foreign customers in tourist places because Vietnam is currently a new destination of international tourists • Many overseas customers would like to come back to these places because of their natural beauty 	<p>Threats</p> <ul style="list-style-type: none"> • Threats of competitors in those places because most of them have the same competitive edges • Power of consumers: Customers easily change their decision if these places are not satisfactory

Beyond the domestic competitors, BQTV has a great number of international competitors. They are wedding celebrators in other Asian countries, especially Thailand which has been considered as a major international competitor of Vietnam in this industry. Thailand possesses numerous competitive advantages such as beautiful beaches, high brand recognition in international markets and reasonable price of services. However, at the beginning stage of launching wedding services into foreign markets, it is wiser for BQTV to focus only on domestic competitors. When the company becomes a strong brand of wedding services provider for foreigners in domestic market, it will be the time to compete international players.

3.5 Binh Quoi Tourist Village's wedding business' SWOT analysis

In order to promote effectively BQTV's wedding services to overseas customers, SWOT analysis about the company's wedding business was established as follows:

TABLE 12. BQTV's wedding business' SWOT analysis (Nguyen, V.N 2010.)

Strengths	Weaknesses
<ul style="list-style-type: none"> • Unique wedding: BQTV designs unique weddings according customer's requirement. • Customized range of products: BQTV's wedding packages include many diverse services such as church services, marriage license, photography services, wedding reception, wedding music services, accommodation services and mini honeymoon tours. • Innovation products: mini honeymoon tours and Vietnamese traditional wedding shows. Moreover, the company specially adds the church services and marriage license services for foreign customers. • Experienced wedding planners • Competitive location: a romantic and beautiful wedding celebration place with green garden and riverside views. • Good customer service: BQTV offers many options for customers and serves them with best enthusiasm • Competitive price 	<ul style="list-style-type: none"> • Not high brand awareness for foreign customers • Do not familiar with Western party celebration style • Lack of language skill • Unclear marketing strategy, weak at advertising activities • Budget for marketing activities is limited

Opportunities	Threats
<ul style="list-style-type: none"> • Fast growth in wedding industry in Vietnam • Increase in foreigner honeymoon packages in Vietnam • Vietnam is a new destination for foreign travelers, and Ho Chi Minh is one of the most popular and famous destinations of Vietnam • Opportunity for receiving foreign honeymoon customers through BQTV's mother company- Saigontourist Holding Company 	<ul style="list-style-type: none"> • Threat of competitors: Many players in the wedding market especially in the customers' home country. • Power of consumers: Customers easily switch to other places if the company does not meet their requirements. • A wedding abroad is not so popular at this moment. • Transportation costs for two ways tickets to Vietnam are probably high for guests of a foreigner's wedding

3.6 BQTV's wedding services in international markets

BQTV's wedding services are new to international markets at this time. These services are acting as a starting point in BQTV's internationalization process. A strategic marketing plan is, therefore, necessary for the company to follow.

A. Product (Wedding services)

In order to satisfy the needs of foreign couples who are going to get married, BQTV's wedding services like gifts of God send to them. With the name "PARADISE OF LOVE", BQTV's wedding services will offer the customers a dream wedding, a romantic and unique wedding for lovers. "PARADISE OF LOVE" will bring the most beautiful and unforgettable moment to the couples.

BQTV provides wedding service packages including church – approved wedding ceremony services, certificate of marriage services, photography services, wedding reception party, accommodation services and mini honeymoon tours. Clients can choose to buy each service separately or the whole package with different price levels.

Church – approved wedding ceremony and marriage license

Because a marriage is a public declaration of love and commitment, church – approved wedding ceremony is very important, especially for Christians. In an attempt of improving its services, BQTV provides the customers with services concerning church ceremony and certificate of marriage. First, BQTV connects with local churches in Ho Chi Minh City to celebrate the couples' wedding ceremony. The following churches are chosen because they are the most beautiful churches in Ho Chi Minh City:

- Notre Dame Cathedral is one of the most beautiful churches in Vietnam. The building that stands in the center of Ho Chi Minh City was built at the end of the 19th century and is a typical French architecture.
- Cho Quan church is one of the largest churches in Ho Chi Minh City
- Cha Tam church is located in the Chinatown of Ho Chi Minh City, is a familiar tourist place for Asian people.
- Hanh Thong Tay church is a small romantic church near BQTV

(Vietnam National Administration of Tourism 2010.)

Another option for couples is they can celebrate their wedding vow ceremony inside BQTV. The vow ceremony will be held at BQTV's beautiful garden near the riverside.

In addition, BQTV will support the couples in the process of marriage registration in Vietnam. In this situation, the couples only need to mail their file of required documents for marriage registration to BQTV one month before their arrival to

Vietnam, and then BQTV will deal with Ho Chi Minh City People's Committee Head Office for the authentication of the marriage license. (Ho Chi Minh City People's Committee Head Office 2011.)

Generally, BQTV provides foreign customers an easy and convenient solution for their marriage through managing church services and their marriage licenses in Vietnam. All the couples need to do is to choose a preferred church in BQTV's church list and send all the required documents to BQTV. After that, BQTV staffs will handle the rest of the process.

Wedding photography services

Ideas for wedding photography services mostly come from nature. Wedding photos of wonderful riverside view or the charming coconut parks will be taken in BQTV areas. Depending on customers' needs, diverse styles of wedding photos from traditional, fashion based or a combination between them will be designed. Instead of taking photos in a studio, BQTV's professional photographers use many attractive outdoor sights within BQTV's regions to produce the most beautiful and artistic wedding albums.

Three wedding photography packages sold by BQTV are Silver, Gold and Diamond. Each package consists of smaller added services such as renting wedding dresses, makeup, wedding flowers, etc. Various options are created to satisfy all customers.

Wedding reception party

Among five main subsidiaries of Binh Quoi Tourist Village, Tan Cang and Van Thanh Tourist Area are specialized for wedding reception party celebration. These two tourist areas possess 16 function-wedding halls and 2 outdoor gardens which can cater up to 12,000 guests. In this regard, Thien Thanh, Beau Chateau restaurants and one outdoor garden in Tan Cang Tourist Area will specialize for foreigners' wedding party celebration.

Besides spacious and airy areas, BQTV is also famous for its catering services. Competent catering employees will serve the guests with delicious and stylish dishes. Though concentrating on Asian style meals, BQTV's talent cooks also produce high- quality Western style meals to clients if requested.

All the wedding rites are thoroughly prepared and performed exactly as agreed before between the customers and BQTV's sales team.

A wedding banquet in BQTV's wedding package includes:

- Cuisine for guests
- Floral displays
- Wedding stage displays
- Wedding cake
- Other decoration requested by the customers

With the purpose of creating a perfect wedding, BQTV's experienced staffs will deliver tailor-made services to their customers. The couples are free to choose their wedding show – everything for the exact ambiance they desire in their great day. BQTV's wedding banquet services contain three different styles: Vietnamese Traditional Dinner Package, Western Style Dinner Package and Wedding Buffet Package. The price of each package varies depending on the level of services that the customers prefer and on how big the party is.

Wedding music services

Music is one of the most important parts in a wedding. As a result, BQTV provides wedding music services to the customers. At present, BQTV is on a contract with two music bands: Lotus and Blue Moon band. While Lotus plays Vietnamese traditional music, Blue Moon focuses more on international folk songs. However, both bands can play well romantic wedding songs. The choice of live wedding music or wedding bands depends on customers' demand. In the process of choos-

ing a wedding band, at first the customers will provide information concerning what kinds of music they are interested in, then BQTV will offer options by sending some sample records to them. In case that the customers are not very delighted about these two bands, BQTV can hire other bands in Vietnam to adapt to the customers' wishes.

Accommodation services

Not only does Binh Quoi Tourist Village offer photography services and reception party to newly wedded couples but also accommodation services to them and their guests.

In spite of being located in a big city, Binh Quoi 1 and Binh Quoi 2 Tourist Area still keep its natural beauty. Thanks to this advantage, these tourist areas have developed accommodation services for tourists who want to relax and enjoy a tranquil life in Ho Chi Minh City. Possessing 65 modern and convenient bungalows along the Saigon riverside, Binh Quoi 1 and Binh Quoi 2 have attracted numerous newly married couples to spend their time there.

Mini honeymoon tours

Mini honeymoon tours are specially designed for overseas customer as BQTV's new service in its wedding package. The tours are a two-day and one night trip inside five subsidiaries of Binh Quoi Tourist Village. The tours include a short Vietnamese cuisine course from BQTV's cooks, recreation activities, a traditional Vietnamese wedding show, spa services, and a dinner for two persons on the ship. All activities are particularly created for couples. The programs of the tours can be changed depending on customers' choices.

B. Price

BQTV's marketing manager – Nguyen, V.N. (2010) stated that price is the most flexible, independent and controllable element of the marketing mix. Pricing strat-

egy plays a major role in international marketing management. He also agreed price is an essential part in BQTV's service differentiation since it may enhance the perceived value of BQTV's wedding services. Moreover, it helps consumers to distinguish BQTV's wedding services from offers of other competitors. He has found it difficult for BQTV to make pricing decisions for its wedding services for foreign customers because these services consist of many smaller services and products. Furthermore, this is the first time BQTV launches its services into international marketplaces. However, he produced a clear pricing estimation for BQTV's wedding services for overseas couples (See Table 13). He has defined the price of different full wedding packages, which are linked to the quality and quantity of the services within each package, and to the characteristics of target segments in terms of service benefits they are expecting. (Nguyen, V.N 2010.)

TABLE 13. Price (USD) of different packages of BQTV's wedding services. (Nguyen, V.N 2010.)

Type of package	Target segment	Price range	Positioning and profile
Diamond	High income couples, 30-45 years old	15,000 – 20,000	“The unique wedding”: exclusive, luxury, romantic and classic
Gold	Average income couples, 25-35 years old	10,000 – 15,000	“The happiest moment”: beautiful, sweet, romantic
Silver	All adults, emphasize on 25-30 years old	Approximately 10,000	“Wings of love”: romantic, lovely with accessibly priced

C. Place (Distribution)

Services, just like products, also need distribution. Therefore, services providers need to design their distribution channels as well.

The WTO General Agreement on Trade in Services (GATS) defines trade in services by means of four different modes in which they can be supplied: cross – border, consumption abroad, commercial presence, and movement of personnel (Onkvisit & Shaw 2009, 462-463.). BQTV delivers its wedding services to consumers from other countries and then the consumption of these services will take place in the territory of BQTV. In this case, BQTV exports its wedding services through consumption abroad mode.

BQTV uses both two-principle channels of distribution when marketing abroad (Figure 14). They are indirect and direct selling. The major reason for this choice is that it may enhance the availability of BQTV's wedding services in international markets.

Indirect sales channel: BQTV decides to market its wedding services to other travel agents in other countries. These agents will act as BQTV's sales intermediaries (or sales facilitators). As stated before, BQTV is an affiliate of Saigontourist Holding Company who is currently one of the leaders in Vietnam tourism industry. Saigontourist travel service brand name has stretched far beyond the Vietnamese border. The company has close relationships with more than 300 travel companies, agents from 36 countries and territories in France, Japan, Germany, The United States of America, Northern Europe, Spain, China, The United Kingdom, South of Korea, ASEAN, etc. Moreover, Saigontourist is the official member of many international tourism associations (i.e. PATA, ASTA, USTOA, JATA), Vietnam Tourism Association (VTA), Ho Chi Minh City Travel Association (HTA), and Vietnam MICE Club (Saigontourist Holding Company, 2010). Thanks to the relationship with Saigontourist Holding Company, BQTV can promote its wedding services to international markets through Saigontourist's worldwide cooperation network. (Saigontourist 2010.)

Direct sales channel: At present, Saigontourist Holding Company has three representative offices abroad which are located in Tokyo (Japan), Paris (France) and California (The United States of America). Hence, BQTV's wedding services can be delivered through these offices. (Nguyen, M.H 2010 and Tran, D.P 2010.)

Internet sales channel: In these days, the internet has become one of the most convenient and effective sales channels. Recognizing the important role of internet sales channel, BQTV plans to focus more on this field. At first, BQTV will have direct sales through its official website <http://www.binhquoiresort.com.vn/> and through Saigontourist Holding Company's official website <http://www.saigontourist.hochiminhcity.gov.vn/>. Foreign customers can make their purchase there through Vietcom Bank or Exim Bank. They will receive the tickets as well as receipts by mail or email. In a long-term development, BQTV decides to expand internet sales channels to indirect sales by making sales agreements with several famous internet websites for travelers such as Expedia.com, Budget travel online, etc. (Nguyen, M.N. 2010.)

The following figure shows the distribution channels of BQTV's wedding services in international markets.

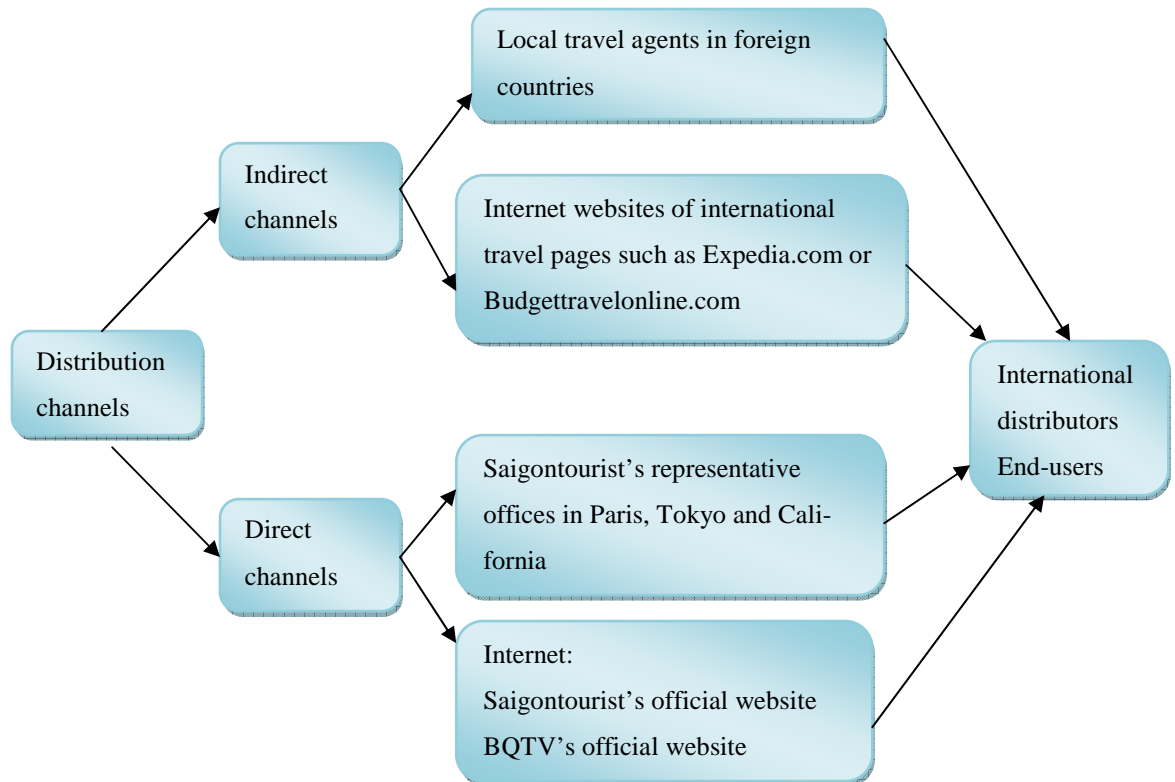


FIGURE 14. International channels of distribution of BQTV's wedding services.

D. Promotion

In order to communicate with and influence customers, BQTV uses several promotional tools. The promotion mix strategies of BQTV for its wedding services in international markets consist of four distinct but interrelated elements: advertising, personal selling, sales promotion and public relations. Target groups at which BQTV's promotion activities aim are end-users, sellers, and media. In this regard, end-customers are the couples who are going to use BQTV's wedding services for their wedding, sellers are other travel agents or wedding celebrators who buy BQTV's wedding services and sell them to their customers, and media is who will release news about BQTV's wedding services to public. The following table is designed to illustrate BQTV's promotion mix strategies.

TABLE 14. The promotion mix strategies of BQTV for its wedding services in international markets.

	Advertising	Personal selling	Sales promotion	Public relations
Target groups	<i>End-customers</i> : the most important target group that advertising activities aim at. <i>Sellers</i>	<i>Sellers</i> are the first target group <i>End-customers</i>	<i>Sellers</i> <i>End-consumers</i>	<i>Interest groups</i> <i>Media</i>
Goals	To provide information about BQTV's wedding services To attract the target groups' attention to increase the desire to buy To reach sales target	To sell and help to sell BQTV's wedding services To satisfy customer's request To promote buying actions	To motivate to sell To encourage to buy To create a good relationship with target groups	To inform To gain positive publicity To enlarge the company's image
Tools	<i>Media advertising</i> : <ul style="list-style-type: none"> • Advertisements in TV travel channels, and other TV channels concerning wedding information. • Radio • Brochures • Travel magazines • Wedding magazines. <i>Internet advertising</i> : Use online advertisements through: <ul style="list-style-type: none"> • BQTV's official website and Saigon-tourist's official website as well. • Expedia.com, Budgettravelonline.com <i>Outdoor advertising</i> : special posters in front of Saigontourist's representative offices in Tokyo, Paris and California.	Sellers: BQTV lists the potential travel agents and wedding celebrators and try to reach them by: <ul style="list-style-type: none"> • Customer visit • Selling by phone End-customers (couples): personnel selling at stands in wedding exhibitions	<i>To seller</i> : <ul style="list-style-type: none"> • 5% commission • Training special selling skill course • One tour to Vietnam to visit BQTV in order to understand more about BQTV's wedding services. <i>To end-customers</i> : <ul style="list-style-type: none"> • 100 gifts for 100 first couples (free wedding cakes and bride flower bouquets) • Quantity discount: 5% total price for buying BQTV's full wedding package (with the number of guest is more than 100) • Drawing lots for a free honeymoon tour trans-Vietnam for two weeks 	Release the responsible report every year Celebrate some events during the year: wedding exhibition week, wedding fashion week, etc. Charity activities such as wedding budget for poor couples, charity activities for kids, etc. Taking care of society and environment

4 CASE STUDY: STANDARDIZATION OR ADAPTATION BQTV'S WEDDING SERVICES TO FRENCH AND JAPANESE MARKET

This chapter aims at providing a strategic marketing plan for the case company, BQTV to launch its wedding services into French and Japanese markets. The chapter embraces two main parts. In the first part, French and Japanese cultures are briefly introduced. The Hall's and Hofstede's cultural dimensions of France and Japan are also discussed in this part. Then the second part concerning the marketing plan for BQTV's wedding services to French and Japanese markets is conducted. In the second part, important decisions regarding standardizing or adapting each component of the marketing mix for BQTV's wedding services to these two specific markets are determined as well.

4.1 French and Japanese culture

In order to understand thoroughly about the French and Japanese wedding markets, it is necessary to have basic knowledge about general characteristics of French and Japanese cultures. Moreover, BQTV should study the wedding cultures of these two countries to be able to respond positively to customers' needs. In general, it is not easy for any companies to deal with the French and Japanese because of their difficult requirements. Lewis (2010, 256.) stated that the French and Japanese believe they are unique and they are the center of the world. Therefore, choosing the right marketing approaches to enter these markets is an essential decision for the case company.

French culture

The French are independent and live in a world of their own. They are immersed in their own history and tend to believe that France has set the norms for such things as democracy, justice, government and legal systems, science, viniculture, haute cuisine, etc. (Lewis 2010, 256.)

The main characteristics of the French may consist of:

- Independence
- Politeness
- EU-oriented
- Logic and flexibility
- Strong role differentiation
- Privacy is respected
- Rule-oriented societies

(Lewis 2010, 261-262.)

The French people have a great passion for food and wine. Culinary culture is an important part of the French culture. French cuisine pays attention to the quality and the use of fresh ingredients. Hence, the French are proud of their famous and unique culinary culture. Besides the cuisine, the French respect the family values. According to the French, the family is the social adhesive of the country and each member has certain duties and responsibilities. Even though France is known as a country of romance, French people have a practical marriage life. In a French family, parents have the power to educate and protect their children. (Kwintessential 2010.)

Japanese culture

The Japanese are culturally very different from others. According to Lewis (2010, 509.), the Japanese uniqueness probably comes from three main factors: their history of isolation, the crowded conditions imposed by their geography, and their language.

Generally, the Japanese culture is expressed according to the following characteristics:

- Ultra-honesty
- Dependence
- Private opinions not expressed
- Long-term thinking
- Protection of everyone's face
- Ultra- politeness
- Strong role differentiation
- Education has an intrinsic value
- Punctuality
- Sense of honor
- "New" is accepted as a collective necessity; however, basically the Japanese do not like change
- Obsession with cleanliness, purity
- Harmony with human
- Harmony with nature

(Mooij 2005, 72 and Lewis 2010, 510.)

Among these characteristics, harmony and nature are considered as the most basic Japanese values. The Japanese would like to live in harmony with fellow human beings as well as with nature. They do together, think together, walk together and dine together. In other words, they have built strong national solidarity in their society. With respect to the nature, the Japanese believe that it is the fountainhead of all existence. In Japan, human beings seek comfort by attempting to immerse themselves in nature. As a result, the Japanese have a sincere respect for harmony and nature. (Mooij 2005, 87.)

To evaluate the French and Japanese cultures, Hall's high- and low-context and Hofstede's cultural dimensions are used.

First, according to Hall the degree of high- and low-context varies from country to country. From his study, it is concluded that Japan belongs to high-context culture

groups, which means the Japanese have a complex way of communicating with people according to their socio-demographic background. The Japanese prefer implicit message in their communication. The result from Hall's study also indicates that French is in the middle range.

Second, as stated in the theoretical part, Hofstede's four plus one dimensions are used by many organizations to analyze the cultural environment of target countries. Thus, in this study, Hofstede's cultural dimensions are applied to assess the French and Japanese cultures as well.

To provide a better overview about French and Japanese cultural dimensions, Table 15 indicates two analyzed countries according to the order they have in each of Hofstede's four plus one dimensions.

TABLE 15. Scores and ranks of the two analyzed nations in Hofstede's cultural dimensions. (Adapted from Hofstede 2005)

Country		PDI	IDV	MAS	UAI	LTO
France	Score	68	71	43	86	39
	Rank	27-29/74	13-14/74	47-50/74	17-22/74	19/39
Japan	Score	54	46	95	92	80
	Rank	49-50/74	33-35/74	2/74	11-13/74	4-5/39

(*) PDI, IDV, MAS, and UAI are ranked over 74 countries

LTO is ranked over 39 countries (see Appendix 4, 5, 6, 7 and 8)

Concerning the PDI, France stays at the high level since business decision making is rather centralized and employees do not act on the same level as their superiors. On the other hand, Japan holds a lower position as compared to France because the emphasis on equality is stronger in this country. (Bjerke 2001 according to Becker & Hengstmann 2006, 44-45.)

With respect to IDV, Japan has a characteristic of collectivism. The Japanese prefer to live together, do together and solve problems together. For instance, whenever travelling to other countries, the Japanese usually stays in groups instead of in individually. The French are distinct from the Japanese. France belongs to the middle part of the IDV, which means they are not only aware of the importance of following rules and working for the collective but also the independence of the individual. (Bjerke 2001 according to Becker & Hengstmann 2006, 45.)

Refers to MAS, France is categorized into the upper middle class of the MAS since there is not much of disparity between males and females in this country. On the other hand, Japan as a country of traditional values and norms, the role of males is strongly emphasized in making decision. (Eurofound 2011.)

Regarding UAI, both France and Japan put the effort into avoiding uncertainty towards the future. These two countries prefer certain predictability. The French and Japanese desire to meet the future in structured plans. Additionally, according to the characteristics of high UAI societies, both France and Japan do not easily accept changes. (Kwintessential 2010 & Mooij 2005, 72.)

With regard to LTO, Japan ranks high in the LTO since the Japanese highly respect long-term commitments and do not like change. The French occupies the middle range, which means they prefer the balance between long-term and short-term perspective in their society. (GLG news 2011.)

4.2 Marketing plan for BQTV's wedding services to French and Japanese market

In order to establish a strategic marketing plan for BQTV's wedding services to France and Japan, three main areas are investigated in this part. First, segmentation strategies are discussed. Second, sales target is thoroughly determined. Third, decisions related to standardizing or adapting each element of the marketing mix for BQTV's to the French and Japanese markets are made.

4.2.1 Segmentation

BQTV's wedding services lead all the marketing means to the group at the age of 25 – 40. Furthermore, their income levels must be from average to high.

It is significantly important for BQTV to recognize the fundamental customer group because of their high purchase power. Determining the target group, therefore, is one of the most essential tasks for BQTV's marketing team. Regarding wedding industry, especially wedding services for foreigners, choosing the right target segments needs many efforts. As a result, BQTV must have a clear segmentation strategy from the beginning.

The profile of BQTV's potential customers regarding its wedding services to French and Japanese markets is formed as follows:

Geographic segmentation

As BQTV is currently in the beginning stage of internationalization, the company must focus on some particular foreign markets; otherwise, it may lose international markets. In this case, France and Japan are two target segments that BQTV should focalize in because they are the potential markets for the company. Additionally, BQTV's mother company – Saigontourist Holding Company – has currently two representative offices in Paris and Tokyo. Accordingly, it is easier for BQTV to have better knowledge of customers and better customer services.

Demographic segmentation

As wedding services are customer-oriented, the target group that BQTV would like to reach is couples from 30-40 years old with income per year per couples is from 40,000 USD. Moreover, they must be interested in travelling, nature and romanticism. These couples also prefer exclusive products and services. On top of that, they desire a unique wedding.

Purchase behaviors

The main purchase behavior that BQTV expects from their target group is that they are willing to spend around 10,000 USD as the minimum budget on their wedding. These customers would like to celebrate their wedding exclusively and do not hesitate to spend more money on their happy day.

Segmentation criteria for BQTV's wedding services

The suitable segmentation criteria for BQTV to determine its principle segments are established as in Table 16.

TABLE 16. Criteria for BQTV to choose the principle segments.

Segmentation criteria	Group A	Group B
Age	30-40	25-35
Income	Over 40,000 USD per couple	Over 30,000 USD per couple
Exclusive	Yes	No
Romanticism	Yes	Yes
Interests	Travelling, nature	Travelling, nature
Price consciousness	Yes	Yes
Differentiation	Yes	Yes
Number of guests in the wedding	Not many	Many
Innovativeness	Yes	Yes
Education	High	High
Effect of reference groups	Yes	Yes
Living country	France, Japan	France, Japan
Marital status	First time of marriage	First time of marriage
Wedding style	Unique, luxurious and romantic Western style	Beautiful, romantic and elegant Western style

Based on the specific criteria stated in Table 16, group A is chosen to be BQTV's major segment because they meet almost all expectations of BQTV about their target customers.

4.2.2 Sales target

BQTV decided to invest 250 billion VND (approximately 13 million USD) in improving and innovating its wedding services. 13 million USD is the budget for both domestic and international markets. It is estimated that after 5 years (2011-2015) BQTV will receive **26,295,288** USD. Sales target per year is calculated as follows:

The first year:

- Number of the weddings which are celebrated in BQTV
 Domestic customers: 10 weddings x 52 weeks = **520** weddings
 French and Japanese customers: 1 wedding x 52 weeks = **52** weddings
- Average price for a wedding
 Domestic customers: **6,000** USD
 French and Japanese customers: **15,000** USD

The different price between domestic customers and foreign customers comes from many factors. For example, a foreigners' wedding includes many added services which domestic couples do not require such as church services, accommodation services for the couples' guests, transportation services for guests from and to airport station, special food for the wedding reception, etc. The average prices are calculated from the highest price and lowest price of the wedding packages.

Revenue of first year: $6,000 \times 520 + 15,000 \times 52 = 3,900,000$ USD

From the second year to the fifth year, revenue is estimated to increase by 15% per year.

Second year: $3,900,000 \text{ USD} \times 115\% = 4,485,000$ USD

Third year: $4,485,000 \text{ USD} \times 115\% = 5,157,750$ USD

Forth year: $5,157,750 \text{ USD} \times 115\% = 5,931,413$ USD

Fifth year: $5,931,413 \text{ USD} \times 115\% = 6,821,125$ USD

Total revenue for five years: **26,295,288** USD

In order to achieve the financial target, profit and loss account statement is completely required. Consequently, a financial plan for BQTV's wedding services is estimated as follows:

13 million USD is divided into three main parts: 5.5 million USD for investment and 5.2 million USD for working capital budget and the rest for other budgets such as risk management. The investment includes two wedding halls, furniture, kitchenware and other equipment. The depreciation value of the investment is shown in Table 17.

TABLE 17. Depreciation value of the investment in BQTV's wedding services (USD).

	Investment	Depreciation time	Depreciation/year
Building	4,000,000	8 years	500,000
Furniture, kitchen-ware, and other equipment	1,500,000	5 years	300,000
Total investment	5,500,000		

Concerning the working capital, variable costs and fixed costs for a financial year are budgeted as following:

Variable costs are estimated around 400,000 USD for the first year, from the second year, variable costs increase 15% per year according the growth of sales volume.

Fixed costs (USD) per year are calculated as follows:

Rent paid	72,000
Telephone, electricity	36,000
Travelling	50,000
Internet	1,200
Insurance	36,000
Salaries + social security	250,000
Other expenses	50,000
Total fixed costs per year	495,200

Based on the above numbers, profit and loss account for BQTV's wedding services in five-year plan is illustrated as in Table 18.

TABLE 18. Profit and loss account (five-year period) for BQTV's wedding services.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Sales revenue	3,900,000	4,485,000	5,157,750	5,931,413	6,821,125	26,295,288
-Vat 10%, discounts 2%	468,000	538,200	618,930	711,770	818,535	3,155,435
= Turnover	3,432,000	3,946,800	4,538,820	5,219,643	6,002,590	23,139,853
- Variable costs	400,000	460,000	529,000	608,350	699,603	2,696,953
= Contribution margin	3,032,000	3,486,800	4,009,820	4,611,293	5,302,987	20,442,900
- fixed costs	495,200	495,200	495,200	495,200	495,200	2,476,000
= Operating Margin	2,536,800	2,991,600	3,514,620	4,116,093	4,807,787	17,966,900
-Depreciations	800,000	800,000	800,000	800,000	800,000	4,000,000
Profit/Loss for the financial year	1,736,800	2,191,600	2,714,620	3,316,093	4,007,787	13,966,900

BQTV has determined to promote its wedding services overseas since the company found that the local market is becoming smaller next few years due to the huge number of players in the Vietnamese wedding industry. It is clear that even if BQTV puts extra effort in growing business, there would not be significant extra sales in domestic market. As a result, BQTV might launch its wedding services into international markets in order to increase sales and thereby generate an additional profit. Table 19 shows the effect of additional export sales in contribution to BQTV's revenue. It is assumed that there are small increases in fixed costs, for example 2%, due to the rise of telephone and travelling costs but variable costs increases sharply by 10% due to 10% extra sales in foreign markets.

TABLE 19. The effect of additional export sales (USD) in contribution to BQTV's wedding services (five year period).

	Domestic sales	Domestic + 10% export sales
Sales revenue	23,904,807	26,295,288
-Vat 10%, 2 %discounts	2,868,577	3,155,435
= Turnover	21,036,230	23,139,853
- Variable costs	2,451,775	2,696,953
= Contribution margin	18,584,455	20,442,900
- Fixed costs	2,427,450	2,476,000
= Operating margin	16,157,005	17,966,900
-Depreciations	4,000,000	4,000,000
Profit/Loss for 5 years	12,157,005	13,966,900

As can be seen in Table 19, the additional 10% sales revenue from export sales may generate an additional 1,709,184 USD profit. The profits obtained from both domestic and export sales are definitely far greater than those from only domestic sales. Therefore, introducing BQTV's wedding services to international market-places is a prudent decision for the company to achieve better profitability.

4.2.3 Standardization or adaptation of the marketing mix

As mentioned in the theoretical part, the decision concerning standardizing or adapting the marketing mix is vital to an organization's future development in international markets. Consequently, BQTV has to choose the right strategy between these two approaches in order to succeed in overseas markets.

The debate between standardization and adaptation of the marketing mix is of long duration. Many reasons have led the international marketers toward standardization approach, such as cost reduction, greater profitability in short term, customer preference (high brand value), better control and coordination of operations,

etc. On the other hand, segmentation theory would suggest that adaptation approach might be the most powerful tool. Because it can meet the individual needs of markets and customers and thereby contributes to the long-term development of the organization. However, in recent years, there is no distinct line between these two approaches. Vrontis & Kitchen (2005, 88.) agreed that standardization and adaptation co-exist. In reality, it is impossible for an organization to standardize or adapt all elements of the marketing mix due to numerous factors such as economic, political, and cultural environment. Additionally, Hollensen (2008, 305.) confirmed that possibilities of worldwide standardization of the people processing service e.g. food services, lodging services are not good since customers become part of the production process and the service firm needs to maintain local geographic presence. Thus, the balance between standardization and adaptation is what BQTV aims at when introducing its wedding services to foreign markets, especially France and Japan.

A. Standardization and adaptation approach for BQTV's wedding services

As stated in the theory part, product standardization is more suitable for industrial goods than services since the services have to be adapted to the culture of the host countries later on. In reference to BQTV's wedding services, it is wiser for the company to follow adaptation strategy for the reason that BQTV's wedding services include many smaller services, i.e. church services, wedding photo services, wedding reception party celebration, mini honeymoon tours, etc. Furthermore, these services are more susceptible to be influenced by individual tastes and requirements. However, in addition to customer satisfaction, BQTV also focuses on increasing its profitability. Therefore, the case company must identify which services should be standardized and which ones should be adapted to two specific markets: France and Japan.

According to Hofstede's cultural dimensions theory, both France and Japan have high UAI score, at 86 and 92 respectively. The high scores indicate that the French and Japanese would like control everything in order to eliminate or avoid the unexpected. In other words, these two societies do not readily accept changes.

Lewis (2010, 256.) also confirmed that the French and Japanese believe that they are unique and the center of the world. In that respect, BQTV should adapt its wedding services to these target markets. However, among seven kinds of wedding services (i.e. church services, marriage licenses, wedding photo, party, music, accommodation, and honeymoon tours), marriage licenses, wedding photography and accommodation services can be standardized.

Church – approved wedding ceremony

A traditional French wedding ceremony is usually held in a church decorated with white flowers. In the French culture, the church is the place where the couples exchange their vows and start their marriage life. Moreover, according to CIA the world fact book (2011), 83 to 88% of the French have declared themselves Roman Catholics. For these reasons, the church plays a crucial role in the French wedding ceremony. Consequently, BQTV should adapt to French culture by adding church-approved wedding ceremony to French couples. In this case, Notre Dame Cathedral is obviously the best place for French couples since it is one of the most beautiful churches in Vietnam built in 19th Century according to the French architecture. The fact is that the French are so proud of their culture and architecture that Notre Dame Cathedral can become one of the key factors for BQTV to attract French couples (CIA France 2011.).

In accordance with the Japanese, the situation is more complicated because 71.4% of the Japanese belong to Buddhism. As a result, the Japanese do not pay much attention on the church services. However, during recent decades, Japanese couples have introduced many Western elements to Japanese weddings. Numerous couples have chosen to celebrate their wedding ceremony in Christian style at a Christian church even though the couples may not be Christian. These couples have accepted changes and preferred new wedding styles. Therefore, an abroad wedding may attract them. For this reason, BQTV should concentrate on those customers who are interested in a Western style wedding. However, due to the differences of religion, not all Japanese couples prefer to celebrate the wedding

ceremony in church. Church services are thus adapted to the Japanese culture. (CIA Japan 2011 and Japan guide 2011.)

Marriage licenses

The fact is that all the couples who are going to get married in Vietnam have to submit all the required documents to People's Committee Head Office of the city. The documents have to be valid and lawful according to the Vietnamese regulations and laws. Therefore, in order to obtain the marriage license in Vietnam, the couples have to obey the laws. BQTV offers an easier solution for foreign customers by supporting them in the process of marriage registration in Vietnam. The strategy BQTV has to choose in this case is standardization since the marriage license is a part of the Vietnamese legal system. (Pham, B 2003.)

Wedding reception and dinner celebration

Onkvisit & Shaw (2009, 366.) indicated that services require adaptation from time to time for foreign markets, especially food services since culinary culture is different from country to country.

The French celebrate their wedding party with two different parts: reception and dinner celebration. At the reception there are wine and other drinks along with finger food, there is not a sit down meal. There are often no speeches or toasts but there can be entertainment. The reception is for extended family and friends. Dinner celebration is held after the reception and only for family and close friends. France is famous about wine and gastronomy, as a result, BQTV must concentrate on the catering services to satisfy the French customers. Gannon (1994) confirmed that wine plays an important role in French culture and namely "French wine" culture. Hence, wine is necessary for a French wedding. The highlights of a French wedding dinner party are wine, the main course and the wedding cake. (French wedding 2011 and Mooij 2005, 54.)

With respect to the Japanese, the style and scale of wedding receptions vary depending on the regions and social relationships. The number of guest ranges from 50 to 200 for a Japanese wedding. Unlike the French, the Japanese pay more attention to wedding rites rather than culinary culture. The highlights of a Japanese wedding are a stage where the guests can give speeches or congratulating performances for the couple and candles on guests' tables for the couple to light up during the reception party. Moreover, it would be appreciated if the wedding is celebrated at BQTV's garden because according to Gannon (1994), the Japanese garden represents for their culture. (Japan guide 2011 and Mooij 2005, 55.)

Wedding music services

Music plays an important role in a wedding since it reflects the atmosphere of the wedding. Music played in the wedding party will set the tone for the day.

Both France and Japan rank high in the UAI, which means they are not eager to accept changes. Moreover, the French and Japanese are so proud of their languages that they consider their languages as the best ones. Consequently, adaptation approach should be used for the wedding music service.

Refers to French customers, they prefer romantic songs with harmonious rhythm. The party should impress the guests by a nice welcome music. A live performance from the band or DJ player such as a string ensemble, acoustic guitar, harpist, solo flute player, or violinist playing in the background would be appreciated. Acoustic background music is the perfect complement to dinner. As dinner comes to a close, music for dancing should be performed. (French's point 2011.)

With respect to Japanese customers, in a traditional Japanese wedding, flute and drum music is performed to start the wedding party. However, in recent years, romantic wedding songs are becoming more popular in the wedding. The Japanese do not prefer music being played continuously during the wedding because there are many speeches and karaoke performances from the couples, their family and guests during the wedding party. Therefore, a high quality sound system for

these speeches and karaoke performances would be highly appreciated. Additionally, it is necessary to have karaoke program in Japanese languages since Japanese guests adore singing in their own language. (Japan guide 2011 and Japanese wedding 2011.)

Mini honeymoon tours

The tours are specifically designed for couples with many romantic activities. BQTV standardizes the tours, which means all the programs are scheduled beforehand and the couples will select the most interesting one. There are three different programs for two-day and one night trip inside four tourist areas and on Saigon floating restaurant. However, BQTV should follow adaptation strategy for translation service in the mini honeymoon tours. BQTV provides the translation service in the case that the couple request. Obviously, the languages are used for two target markets should be French and Japanese because of the fact that the French and Japanese do not prefer English language. Both French and Japanese customers will highly appreciate if their own languages are used during the tours.

Wedding photography and accommodation services

Like mini honeymoon tours, standardization approach is applied for wedding photo albums and accommodation service. Regarding wedding photography services, BQTV offers three different packages namely Silver, Gold, and Diamond. Each package consists of different kind of added services such as wedding dresses, wedding flowers, makeup services, etc. With regard to accommodation services, there are three different kinds of room: Standard, Superior, and Deluxe. Although BQTV offers various options to the couple depending on their wedding budget, principally the company standardizes the wedding photography and accommodation services to all foreign markets. Actually, customers' choices are limited in the packages that BQTV provides.

B. Standardization versus adaptation for the price of BQTV's wedding services

In terms of price, BQTV follows the theory of Doole & Lowe (2001), according to these authors pricing is the most frequently adapted part of the marketing mix.

BQTV should adapt the price of its wedding services for several reasons. The first factor is customers. The fact is that the customers' culture is distinct from each other and they have different levels of purchasing power. For example, the price that the French and the Japanese are willing to pay for a wedding is different. While the French expect to pay approximately 20,000 USD for a wedding, the Japanese may spend from 30,000 USD to 100,000 USD. The difference can be explained through IDV of Hofstede's cultural dimensions. As stated in Hofstede's theory, the Japanese belong to collectivistic culture, which means they prefer to do everything with their company. They walk together, think together and dine together. This explains why the number of guests for a Japanese wedding can exceed 200 people including families, friends, neighbors, bosses and colleagues. On the other hand, the characteristic of the French culture is individualism in their social life. The French prefer to invite only families and close friends to their wedding. Therefore, BQTV has to find the "accepted price" which can be tolerated by these two target markets. The second factor is the pressure from competitors. BQTV has to consider the price based on the price level of the competitors. The third factor is the cost. Indeed, the level of service that customers order for their wedding party will have significant influences on the prices. For instance, wine and cheese from France are more expensive than those from Vietnam. Overall, BQTV should pay attention to all these factors to achieve the best profitability. (Factanddetails 2011.)

Even though price adaptation can face some negative points such as a bad image of the company in international markets, especially in the age of the internet, BQTV should follow this strategy. The price of wedding services is different depending on many factors, therefore, the customers cannot completely compare the price through the internet, and BQTV can set the right price for different markets.

C. Standardization versus adaptation for the distribution of BQTV's wedding services

Refers to the distribution, BQTV is not supposed to follow the theory of Doole & Lowe's continuum of standardization and adaptation. As stated in theoretical part, Doole & Lowe indicated that the distribution is one of the elements of the marketing mix easily adaptable because of the fact that the distribution system is different from country to country. However, BQTV should standardize its distribution in all foreign markets to reduce the cost and thereby increase the profitability. In fact, wedding services are special products which are described by four principle characteristics of services, namely intangibility, perish-ability, variability and inseparability (Kotler, Harker & Brennan 2009, 254.). BQTV's wedding services do not need to be stored in warehouses or transported like common products; as a result, these services can be distributed in the same way to all target countries. The distribution channels that BQTV uses to promote its wedding services to international markets were introduced in subchapter 3.6.

D. Standardization and adaptation for the promotion of BQTV's wedding services

To develop a strategic promotion plan, BQTV should follow the theory of Hall's high- and low-context cultures and Hofstede's cultural dimensions at the same time. Hall indicated the fact that in high-context communication or message, most of the information is part of the context, and very little is made explicit as part of the message. In general, high-context communication is economical, fast and efficient. In contrast, low-context cultures are characterized by explicit verbal messages. As being seen from Figure 4, while the Japanese culture belongs to high-context group, the French culture ranges in the middle class. That is also explained in Hofstede's cultural dimensions. Hofstede suggested a correlation between collectivism and high context in culture. For example, Japan has characteristic of the collectivistic culture, so information flows more easily between members of the group. There is less need for explicit communication in collectivistic cultures than that in individualistic cultures e.g. French culture.

In order to promote the image of the case company in international markets, BQTV should have different promotional campaigns, which means the company will adapt its promotion according to the culture of target markets. Among four components of the promotion mix (i.e. advertising, sales promotion, personal selling, and public relations), advertising is the most complicated part to deal with since it connects to the culture of a country.

BQTV should design a specific advertising campaign for each market although it may cost the company a larger budget. Then the company should choose the correct advertising message for each country. The advertising in Japan should be characterized by symbolism or indirect verbal expression, whereas the advertising in France should place central importance on the delivery of verbal messages. For instance, an advertisement for Japanese couples can use many images about the beautiful and romantic garden of BQTV where their wedding will be held. On the other hand, it is recommended that BQTV must create a slogan which shows the image of BQTV's wedding services e.g. romantic, high-quality and unique to the French market. BQTV should follow adaptation approach for its promotion mix since this is the first time the company enters foreign markets, so it is necessary for the company to attract attention of overseas customers.

In addition, Hofstede's four plus one cultural dimensions should be taken into account in BQTV' advertising campaigns.

The first dimension, i.e. the PDI mentions the attitude toward superiors and subordinated. For example, Japan has high power distance culture, where the elderly are respected, so a typical advertisement can create a message concerning generations.

The second one, i.e. the IDV states individual and group decisions. An advertisement for Japanese couples can convey a message about how great their families and friends enjoy a wedding in BQTV because Japanese culture is characterized by collectivism. In contrast, the advertising for French customers can use the image of a unique, private and romantic wedding in BQTV.

The third one, i.e. the MAS refers to roles of female and male in societies. Strong role differentiations are reflected in Japanese advertising. For example, for a wedding in which a man will be seen bringing the most meaningful and happiest present to his wife: a wedding in BQTV. This man is the person who is more powerful in all decisions. Since the inequalities between males and females are not vast in the French society, an advertisement for French couples can focus on the sharing in their love.

The fourth one, i.e. the UAI concerns the attitude toward the need for explanations, structure, test, rules and regulations. Both France and Japan has high uncertainty avoidance culture. This means they choose only high quality services which must be demonstrated or tested. Thus, BQTV has to concentrate on promoting the quality of its wedding services to these customers.

The last one, i.e. the LTO reflects the attitude toward the future. The Japanese have long-term orientation, which means they always think about future generations. Their attitude is “save for tomorrow”. In other words, the Japanese live for their future. French culture ranks in middle low class of the LTO, therefore, it can be understood that although the French do think of their future, they still live more for the present. Consequently, while advertising for the Japanese can concentrate on their future life, that for the France may pay attention to their present life.

Apparently, Hall’s high- and low-context cultures and Hofstede’s four plus one cultural dimensions play a strategic role for BQTV to create and improve its advertising in international markets.

Besides advertising, the case company has to deal with sales promotion, personal selling, and public relations. The same cultural rules apply for international public relations and personal selling as for international advertising. For instance, whereas in individualistic cultures (e.g. French culture) press releases can be short and focus on the main issues, a different style is likely more effective in collectivistic (e.g. Japanese culture). To conclude, three types of communication, i.e. advertising, public relations and personal selling should be adapted to the culture of

France and Japan. However, with the last type, i.e. sales promotion, BQTV can utilize the standardization strategy to reduce the total cost of promotion campaigns.

5 CONCLUSION AND POSSIBILITIES OF FUTURE RESEARCH

In this chapter, a conclusion of this study is presented. The research question concerning how the case company manages the marketing mix in foreign markets especially French and Japanese ones is deduced. Additionally, possibilities of future research are appropriately provided.

5.1 Standardization or adaptation of each component of the marketing mix

In order to enter a new market successfully, the company has to consider many different strategic decisions. Among them, a marketing plan plays an essential role in the survival and development of the company in foreign markets. This thesis is thus conducted to assist the case company BQTV in making decisions regarding the standardization or adaptation of each element of the marketing mix in two target countries, namely France and Japan.

In the following table, decisions concerning standardization or adaptation of the marketing mix are concluded, in which A is the abbreviation for adaptation and S stands for standardization. When the case company introduces the wedding services to French and Japanese markets, each component of the marketing mix has to be focused.

TABLE 20. Standardization and adaptation of the marketing mix of BQTV's wedding services to French and Japanese markets

	French market	Japanese market
S/A for BQTV's wedding services		
Church services	A	A
Wedding reception party	A	A
Wedding music services	A	A
Marriage licenses	S	S
Wedding photography services	S	S
Accommodation services	S	S
Mini honeymoon tours	Partly	Partly
S/A for the price of BQTV's wedding services	A	A
S/A for the distribution of BQTV's wedding services	S	S
S/A for the promotion of BQTV's wedding services		
Advertising	A	A
Public relation	A	A
Personal selling	A	A
Promotion	S	S

This study aims at comparing two strategies, standardization and adaptation, and thereby to show how the case company manage the marketing mix when introducing the wedding services to different cultures, especially France and Japan. It is not a simple task for the case company BQTV to choose the right strategy between standardization and adaptation because of the cultural barriers. Additionally, wedding services are comprised of numerous smaller services, which make the selection even more complicated. The case company, therefore, has to balance the degree to which it should standardize or adapt the marketing mix in foreign markets. The study has examined and provided recommendations for the case compa-

ny to deal with this situation. The solution for the case company is briefly concluded as follows:

Firstly, concerning the wedding services, BQTV should use the theory of Hofstede's four plus one cultural dimensions to know how French and Japanese customers are going to react when the wedding services is launched into these countries. As can be seen in Table 20, not all services are standardized or adapted. BQTV has to standardize the marriage license service to all foreign couples according to the Vietnamese laws. Besides, standardization approach is used for wedding photography and accommodation services to reduce the costs and increase the international image of the case company. Regarding the honeymoon tours, BQTV should standardize the core value to all customers such as the program of the tours, the activities within the tours, etc. However, it is recommended that translation service is available for the French and Japanese during the tours since they prefer communicating in their own languages. On the other hand, it may be suggested that adaptation strategy should be used for the church services, wedding reception party and wedding music services. With reference to French market, Notre Dame Cathedral that is located in the center of Ho Chi Minh City is definitely the best choice because it is suitable for French culture. The wedding reception party and dinner celebration should adapt to the French culinary culture and art. Furthermore, French wedding music and love song should be performed during the wedding party. With regard to the Japanese market, church services depend on the couples' needs because most of the Japanese believe in Buddhism. The reception party should focus more on the rites and the guests. A well-decorated stage with high quality system where the guests can give the congratulating performances to the couple or entertain with singing karaoke will be a highlight for a Japanese wedding.

Secondly, regarding the price of BQTV's wedding services, price adaptation will be more suitable for the case company. The fact is that the French and Japanese have different tastes about a wedding. In addition, the quantity and quality of services are various between these two target markets. Price differentiation, thus, should be used to respond to the purchasing power of the population and to maximize the profitability.

Thirdly, in terms of the distribution of BQTV's wedding services, the suggestion is that the case company should follow standardization strategy. Even though, according to many studies, distribution adaptation is applied in numerous international organizations, BQTV should use standardization approach due to the characteristics of wedding services and cost reduction.

Finally, with regard to the promotion of BQTV's wedding services, it may be suggested that the case company should apply the theories of Hall's high- and low-context cultures and Hofstede's cultural dimensions to analyze French and Japanese cultures. Thanks to these theories, the company will discover how the wedding services can be promoted in France and Japan. While promotion should be standardized, advertising, public relation and personal selling are more appropriate with the adaptation strategy. BQTV should take into consideration French and Japanese cultures in the promotion plan to attract potential customers when marketing its wedding services to these countries.

BQTV has to choose the degree to which each component of the marketing mix should be standardized or adapted since in reality, it is impossible to follow only one approach. In other words, standardization and adaptation co-exist according to the case study. Even though there are many factors influencing on the decision of the case company, cultural differences are one of the most difficult parts to deal with. Thanks to Hall's and Hofstede's theories, the case company can identify the typical characteristics of each target country and thereby apply the most effective strategy for the marketing mix.

The case study BQTV is a valuable example for organizations that are in the beginning phase of internationalization. Decisions between standardization and adaptation would assist these organizations to create a strategic plan for further developments in foreign markets.

5.2 Possibilities of future research

This study has provided insights for two approaches of the marketing mix: standardization and adaptation. However, in order to make the study more applicable, further research is highly recommended. There are four main possibilities: further research for 7Ps of the marketing mix of the case company, research for other target markets, research for different sectors of the business, and research for different sizes of the business.

Firstly, as mentioned previously in this paper, there are still some limitations being out of the scope of this study. For instance, the author analyzed only four (4Ps) instead of seven elements (7Ps) of the marketing mix for BQTV's wedding services. The fact is that wedding services are not tangible goods. They are classified as a different category, named services. Even though four components, i.e. product, price, place and promotion have provided a basic picture of the marketing mix strategy, seven elements are more adequate for promoting services. Therefore, future research for BQTV's wedding services may focus on 7Ps of the marketing mix.

Secondly, as stated before, France and Japan are considered as the first target markets that BQTV aims at. However, in a long-term plan, the company would like to expand the wedding business to other international marketplaces. Based on the results obtained from French and Japanese markets, new opportunities for other potential markets would be taken into account in BQTV's future research.

Thirdly, during the working process of this thesis, the author has found that cultural differences play an essential role in the international marketing. The case study BQTV has only focused on the wedding industry, but it could be interested in doing research about other fields of business. As there are numerous Vietnamese organizations which are currently entering the foreign markets, a strategic marketing plan for them to deal with cultural differences is very important. As a result, further research may concentrate on other sectors of business.

Finally, organizations of different sizes are also a possibility of future research that should be considered. As BQTV is just a national company, strategies that the company has chosen may differ from an international one. Moreover, a LSE company could have different strategies than a SME one. Therefore, comparing how organizations of different sizes manage cultural differences in international markets would be a good option for future research.

To conclude, there are many possibilities of future research when the case company decides the marketing mix strategies based on cultural diversities. Even though the idea of this thesis is new in the Vietnamese enterprises' perspective since most of them do not pay much attention to cultural aspects of a target country, the author strongly believes that this study will open an innovative and effective way for several Vietnamese organizations to operate their business internationally.

6 SUMMARY

This thesis concentrates on assisting the case company, BQTV in its decisions to launch the wedding services into foreign markets, especially France and Japan. The thesis is divided into two main parts, namely the theoretical framework and the empirical part.

The first part of this thesis, the theoretical part, deals with various sources of literature regarding cultural differences and the two approaches of the marketing mix, i.e. standardization and adaptation. The objective of this part is to provide needed information to support the empirical part. First, the theory concerning cultural diversities is introduced. Hall's high- and low-context cultures and Hofstede's four plus one cultural dimensions are used to clarify the theory of cultural differences. Second, two strategies, i.e. standardization and adaptation are analyzed for each component of the marketing mix. Finally, impacts of cultural differences on these two strategies are concluded.

The second part of the research, the empirical part, is designed to answer the research question: Should the case company standardize or adapt the marketing mix in order to develop its wedding services to France and Japan? This part involves two chapters, i.e. chapter 3 and chapter 4.

Chapter 3 aims at providing needed information regarding BQTV's wedding business. In this chapter, BQTV background and the market analysis are mentioned. Then a strategic marketing plan for BQTV's wedding services to foreign markets is developed.

Chapter 4 focuses on the first two target markets of the case company, namely French and Japanese markets. In this chapter, the decision regarding standardizing or adapting each element of the marketing mix of BQTV's wedding services to these two countries is determined. Hall and Hofstede's theories are used to analyze French and Japanese cultures. Then, the decision-making about standardization or adaptation of each component of the marketing mix, i.e. 4Ps is provided.

In terms of the first P, Product or known as BQTV's wedding services in this case, the result from this study indicates that BQTV should verify the balance between standardization and adaptation. While church service, wedding reception party and wedding music service will be adapted to French and Japanese cultures, marriage license, wedding photography and accommodation services will be standardized for all foreign countries.

With reference to the second P, Price, the case company applies price adaptation strategy to French and Japanese markets in order to respond to the purchasing power of the French and the Japanese and to maximize the profitability.

Regarding the third P, Place (or Distribution), BQTV follows standardization approach due to the characteristics of wedding services and cost reduction.

In accordance with the final P, Promotion, both standardization and adaptation strategies are used. Advertising, public relation and personal selling are more appropriate with the adaptation strategy, whereas promotion should be standardized when BQTV introduces its wedding services to France and Japan.

Additionally, this thesis also mentions several possibilities for future research to make the study more applicable. The future research may concentrate on other components of the marketing mix of the case company, other target markets, different sectors of the business, and different sizes of the organizations.

In conclusion, the case company should thoroughly study the cultures of target markets when launching the wedding services into these countries. Based on this, the degree that each element of the marketing mix should be standardized or adapted will be identified.

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APPENDIX 1. Interview questions for Binh Quoi Tourist Village

1. Present your wedding services
 - a. Which services do your wedding services include?
 - b. Who are your target customers regarding the wedding services?
 - c. What is the role of the wedding services in your business?
 - d. Please identify some strengths and weaknesses.
 - e. Please identify the opportunities may open to you and threats you may encounter in the wedding industry in Vietnam
2. Who are your main competitors in this field?

According to you, what are their strengths and weaknesses?
3. Why does your company decide to operate your business internationally?
4. Why does your company choose the wedding services to go international?
5. Which countries do you aim at first when introducing the wedding services to foreign markets? And why do your company choose to attract these target segments?
6. Do you find it difficult to launch your wedding services into these target countries? And what is the most difficult barrier that your company has to deal with?
7. Product
 - a. Do you plan to standardize or adapt your wedding services to foreign markets? Especially the target markets.
 - b. What are the main factors lead you to the decision whether the wedding services in specific markets should be standardized or adapted?
 - c. According to you, what is the role of cultural differences in standardization and adaptation of the wedding services in international markets?
 - d. Are you forced to adapt your wedding services in target markets due to cultural differences?
 - e. Do you think that your wedding services should be totally standardized or adapted when they are introduced to foreign customers?
8. Price
 - a. What are the price strategies that you use when launching the wedding services into foreign markets?

- b. Do you plan to standardize or adapt the price of your wedding services in international markets?
 - c. What are the main factors lead you to the decision whether the price of your wedding services in specific markets should be standardized or adapted?
 - d. Do cultural differences affect the decision of standardization or adaptation of the price?
 - e. Are you forced to adapt the price of your wedding services in the target markets due to cultural differences?
 - f. According to you, should the price of your wedding services be standardized or adapted for all the target markets?
9. Distribution
- a. The distribution channels that you use in international markets for your wedding services.
 - b. Do you plan to standardize or adapt the distribution of your wedding services in international markets?
 - c. What are the main factors lead you to the decision whether the distribution of your wedding services in specific markets should be standardized or adapted?
 - d. Do cultural differences affect the decision of standardization or adaptation of the distribution?
 - e. Are you forced to adapt the distribution of your wedding services in the target markets due to cultural differences?
 - f. According to you, should the distribution of your wedding services be standardized or adapted for all the target markets?
10. Promotion
- a. What is your promotion mix plan for the wedding services in international markets?
 - b. Do you plan to standardize or adapt the promotion of your wedding services in international markets?
 - c. What are the main factors lead you to the decision whether the promotion of your wedding services in specific markets should be standardized or adapted?

- d. Do cultural differences affect the decision of standardization or adaptation of the promotion?
- e. Are you forced to adapt the promotion of your wedding services in the target markets due to cultural differences?
- f. According to you, should all the communication types (advertising, public relation, personal selling and sell promotion) of the promotion for your wedding services be standardized or adapted to all the target markets?

APPENDIX 2. Interview questions for experts from Saigontourist Holding Company

1. What are your main business operations?
2. Describe about your international markets.
 - a. What are your key international customers?
 - b. What are your main services or products in international markets?
 - c. Do you have any representative offices in foreign countries? And if yes, what are the main duties of these offices?
 - d. How do the foreign customers contribute to your revenue?
3. Why does your company choose BQTV's wedding services to attract foreign customers?
4. According to you, what are the advantages and disadvantages of BQTV's wedding services in international markets?
5. What is your plan to support BQTV in launching its wedding services into foreign markets?
6. According to you, what are difficulties for BQTV's wedding services to attract overseas customers?
7. Do you think that cultural differences will affect the development of BQTV's wedding services in international markets?
8. Do you think that BQTV can use the same marketing mix strategies for all international markets or they should adapt these strategies according to the target countries?

APPENDIX 3. Interview questions for experts from other travel agents who have had knowledge about honeymoon tours for foreigners in Vietnam

1. Describe the Vietnam tourism industry in recent years.
 - a. Do the number of international tourists in Vietnam decrease or increase in recent years?
 - b. What are the main international customers in the Vietnam tourism industry?
 - c. Where are their favorite destinations?
2. Are there many foreign couples who have chosen Vietnam as the destination for their honeymoon tours?
 - a. Do you have special honeymoon programs for foreign customers?
 - b. Are there many foreigners who have bought your honeymoon tours in Vietnam?
 - c. Where do they usually choose to visit in their honeymoon tours?
 - d. The price range for your honeymoon packages
3. According to you, may Vietnam become an attractive destination for those couples who would like to celebrate their wedding abroad?
4. What are the main factors may make Vietnam an ideal place for foreigners to celebrate their wedding there?
 - a. The lower cost
 - b. The beautiful landscape
 - c. Other factors
5. According to you, what are the ideal places in Vietnam for foreigners to hold their wedding? And why?
 - a. Big hotels or restaurants in big cities in Vietnam
 - b. Resorts near beaches
 - c. Other places

APPENDIX 4. Power Distance Index (PDI) Values for 74 countries and regions
(Hofstede 2005, 43-44)

Country/ Region	Score	Rank	Country/ Region	Score	Rank
Malaysia	104	1-2	Portugal	63	37-38
Slovakia	104	1-2	Belgium Flemish	61	39-40
Guatemala	95	3-4	Uruguay	61	39-40
Panama	95	3-4	Greece	60	41-42
Philippines	94	5	Korea (South)	60	41-42
Russia	93	6	Iran	58	43-44
Romania	90	7	Taiwan	58	43-44
Serbia	86	8	Czech Republic	57	45-46
Suriname	85	9	Spain	57	45-46
Mexico	81	10-11	Malta	56	47
Venezuela	81	10-11	Pakistan	55	48
Arab countries	80	12-14	Canada Quebec	54	49-50
Bangladesh	80	12-14	Japan	54	49-50
China	80	12-14	Italy	50	51
Ecuador	78	15-16	Argentina	49	52-53
Indonesia	78	15-16	South Africa	49	52-53
India	77	17-18	Trinidad	47	54
West Africa	77	17-18	Hungary	46	55
Singapore	74	19	Jamaica	45	56
Croatia	73	20	Estonia	40	57-59
Slovenia	71	21	Luxembourg	40	57-59
Bulgaria	70	22-25	United States	40	57-59
Morocco	70	22-25	Canada total	39	60
Switzerland (French spoken)	70	22-25	Netherlands	38	61
Vietnam	70	22-25	Australia	36	62
Brazil	69	26	Costa Rica	35	63-65
France	68	27-29	Germany	35	63-65

Hong Kong	68	27-29	Great Britain	35	63-65
Poland	68	27-29	Finland	33	66
Belgium Walloon	67	30-31	Norway	31	67-68
Colombia	67	30-31	Sweden	31	67-68
Salvador	66	32-33	Ireland	28	69
Turkey	66	32-33	Switzerland (German spoken)	26	70
East Africa	64	34-36	New Zealand	22	71
Peru	64	34-36	Denmark	18	72
Thailand	64	34-36	Israel	13	73
Chile	63	37-38	Austria	11	74

APPENDIX 5. Uncertainty avoidance index (UAI) Values for 74 countries and regions (Hofstede 2005, 168-169)

Country/ Region	Score	Rank	Country/ Region	Score	Rank
Greece	112	1	Switzerland	70	35-38
			French		
Portugal	104	2	Taiwan	69	39
Guatemala	101	3	Arab countries	68	40-41
Uruguay	100	4	Morocco	68	40-41
Belgium Flemish	97	5	Ecuador	67	42
Malta	96	6	Germany	65	43
Russia	95	7	Thailand	64	44
Salvador	94	8	Bangladesh	60	45-47
Belgium Walloon	93	9-10	Canada Quebec	60	45-47
Poland	93	9-10	Estonia	60	45-47
Japan	92	11-13	Finland	59	48-49
Serbia	92	11-13	Iran	59	48-49
Suriname	92	11-13	Switzerland Ger-	56	50
			man		
Romania	90	14	Trinidad	55	51
Slovenia	88	15	West Africa	54	52
Peru	87	16	Netherlands	53	53
Argentina	86	17-22	East Africa	52	54
Chile	86	17-22	Australia	51	55-56
Costa Rica	86	17-22	Slovakia	51	55-56
France	86	17-22	Norway	50	57
Panama	86	17-22	New Zealand	49	58-59
Spain	86	17-22	South Africa	49	58-59
Bulgaria	85	23-25	Canada total	48	60-61
Korea (South)	85	23-25	Indonesia	48	60-61
Turkey	85	23-25	United States	46	62
Hungary	82	26-27	Philippines	44	63

Mexico	82	26-27	India	40	64
Israel	81	28	Malaysia	36	64
Colombia	80	29-30	Great Britain	35	66-67
Croatia	80	29-30	Ireland	35	66-67
Brazil	76	31-32	China	30	68-69
Venezuela	76	31-32	Vietnam	30	68-69
Italy	75	33	Hong Kong	29	70-71
Czech Republic	74	34	Sweden	29	70-71
Austria	70	35-38	Denmark	23	72
Luxembourg	70	35-38	Jamaica	13	73
Pakistan	70	35-38	Singapore	8	74

APPENDIX 6. Individualism index (IDV) Values for 74 countries and regions
(Hofstede 2005, 78-79)

Country/ Region	Score	Rank	Country/ Region	Score	Rank
United States	91	1	Russia	39	37-38
Australia	90	2	Arab countries	38	39-40
Great Britain	89	3	Brazil	38	30-40
Canada total	80	4-6	Turkey	37	41
Hungary	80	4-6	Uruguay	36	42
Netherland	80	4-6	Greece	35	43
New Zealand	79	7	Croatia	33	44
Belgium Flemish	78	8	Philippines	32	45
Italy	76	9	Bulgaria	30	46-48
Denmark	74	10	Mexico	30	46-48
Canada Quebec	73	11	Romania	30	46-48
Belgium Walloon	72	12	East Africa	27	49-51
France	71	13-14	Portugal	27	49-51
Sweden	71	13-14	Slovenia	27	49-51
Ireland	70	15	Malaysia	26	52
Norway	69	16-17	Hong Kong	25	53-54
Switzerland	69	16-17	Serbia	25	53-54
German					
Germany	67	18	Chile	23	55
South Africa	65	19	Bangladesh	20	56-61
Switzerland	64	20	China	20	56-61
French					
Finland	63	21	Singapore	20	56-61
Estonia	60	22-24	Thailand	20	56-61
Luxemburg	60	22-24	Vietnam	20	56-61
Poland	60	22-24	West Africa	20	56-61
Malta	59	25	Salvador	19	62
Czech Republic	58	26	Korea (South)	18	63

Austria	55	27	Taiwan	17	64
Israel	54	28	Peru	16	65-66
Slovakia	52	29	Trinidad	15	65-66
Spain	51	30	Costa Rica	15	67
India	48	31	Indonesia	14	68-69
Suriname	47	32	Pakistan	14	68-69
Argentina	46	33-35	Colombia	13	70
Japan	46	33-35	Venezuela	12	71
Morocco	46	33-35	Panama	11	72
Iran	41	36	Ecuador	8	73
Jamaica	39	37-38	Guatemala	6	74

APPENDIX 7. Masculinity index (MAS) Values for 74 countries and regions
(Hofstede 2005, 120-121)

Country/ Region	Score	Rank	Country/ Region	Score	Rank
Slovakia	110	1	Singapore	48	38
Japan	95	2	Israel	47	39-40
Hungary	88	3	Malta	47	39-40
Austria	79	4	Indonesia	46	41-42
Venezuela	73	5	West Africa	46	41-42
Switzerland	72	6	Canada Quebec	45	43-45
German					
Italy	70	7	Taiwan	45	43-45
Mexico	69	8	Turkey	45	43-45
Ireland	68	9-10	Panama	44	46
Jamaica	68	9-10	Belgium Flemish	43	47-50
China	66	11-13	France	43	47-50
Germany	66	11-13	Iran	43	47-50
Great Britain	66	11-13	Serbia	43	47-50
Colombia	64	14-16	Peru	42	51-53
Philippines	64	14-16	Romania	42	51-53
Poland	64	14-16	Spain	42	51-53
South Africa	63	17-18	East Africa	41	54
Ecuador	63	17-18	Bulgaria	40	55-58
United States	62	19	Croatia	40	55-58
Australia	61	20	Salvador	40	55-58
Belgium Walloon	60	21	Vietnam	40	55-58
New Zealand	58	22-24	Korea (South)	39	59
Switzerland	58	22-24	Uruguay	38	60
French					
Trinidad	58	22-24	Guatemala	37	61-62
Czech Republic	57	25-27	Suriname	37	61-62
Greece	57	25-27	Russia	36	63

Hong Kong	57	25-27	Thailand	34	64
Argentina	56	28-29	Portugal	31	65
India	56	28-29	Estonia	30	66
Bangladesh	55	30	Chile	28	67
Arab countries	53	31-32	Finland	26	68
Morocco	53	31-32	Costa Rica	21	69
Canada total	52	33	Slovenia	19	70
Luxembourg	50	34-36	Denmark	16	71
Malaysia	50	34-36	Netherlands	14	72
Pakistan	50	34-36	Norway	8	73
Brazil	49	37	Sweden	5	74

APPENDIX 8. Long-term orientation index (LTO) Values for 39 countries and regions (Hofstede 2005, 211)

Country/ Region	Score	Rank	Country/ Region	Score	Rank
China	118	1	Slovakia	38	20-21
Hong Kong	96	2	Italy	34	22
Taiwan	87	3	Sweden	33	23
Japan	80	4-5	Poland	32	24
Vietnam	80	4-5	Austria	31	25-27
Korea (South)	75	6	Australia	31	25-27
Brazil	65	7	Germany	31	25-27
India	61	8	Canada Quebec	30	28-30
Thailand	56	9	New Zealand	30	28-30
Hungary	50	10	Portugal	30	28-30
Singapore	48	11	Untied States	29	31
Denmark	46	12	Great Britain	25	32-33
Netherlands	44	13-14	Zimbabwe	25	32-33
Norway	44	13-14	Canada	23	34
Ireland	43	15	Philippines	19	35-36
Finland	41	16	Spain	19	35-36
Bangladesh	40	17-18	Nigeria	16	37
Switzerland	40	17-18	Czech Republic	13	38
France	39	19	Pakistan	0	39
Belgium total	38	20-21			