

CROSS-COUNTRY ADVERTISING: GLOBALISE OR LOCALISE?

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Advertising, through mass or targeted media, is an important tool that marketers can employ to improve their brands' in-market performance. Virtually all advertising aims to eventually drive consumer purchasing behaviour (and thus sales) – either directly or indirectly by building a more favourable image for the brand. In a world that is becoming increasingly interconnected, companies of all sizes have found that advertising campaigns that work well in one country, will not necessarily have the same impact in all markets. At DVJ Insights, we tested a wide range of creatives for global clients and learned that there are substantial differences in how attitudes towards an advertisement are formed across markets. Why do humorous ad campaigns work in one country, whilst they fall flat in another? Why do credibility and relevance play a key role in some countries, but less in others?

PURCHASE BEHAVIOUR IS FORMED BY CONSUMERS' ATTITUDE



An important predictor of advertising effectiveness with respect to (changes in) purchase behaviour is formed by consumers' **attitude** towards the ad, which is in turn driven by various dimensions, such as likeability, funniness, distinctiveness, objectivity, relevance, and understandability. Together, these dimensions determine how appealing an ad is to a consumer – and thus its chances of persuading him or her into buying the advertised product.

However, not every dimension necessarily has equal weight in shaping the consumer's eventual response to an ad. In fact, what is regarded as more versus less important can differ across consumers, as various academic studies have already shown.

For instance, female consumers tend to process the central message of an advertisement more elaborately than male consumers do, and older consumers respond more strongly to emotionally loaded advertisements than to those with a more rational argumentation style, while younger consumers do not exhibit such a clear preference. Such variation stems from differences in wants and needs between different consumer groups. Besides sociodemographics, another factor that has a substantial impact on the needs and wants of different consumers is formed by (national) culture. Different cultures come with different norms and beliefs, which in turn influences what receives more and less attention, and what is more and less valued by members of these cultures. Therefore, it seems plausible that cultural differences will also play a role in determining what dimensions of advertising attitude play a more versus less pronounced role in shaping consumers' eventual (purchase) response to an ad.

A CROSS-COUNTRY STUDY ON ADVERTISING RESPONSE

To obtain more insight into the relative importance of different advertisement-attitude dimensions across countries, and to assess to what extent this is driven by the countries' cultural profiles, DVJ Insights conducted a large-scale online survey among ±27,000 respondents from 30 different countries. Each of the respondents was shown four TV commercials (that were recently broadcast in his or her country-of-residence) and were asked to provide their perception on the TV commercial with respect to aspects such as likeability, fit with the advertising brand, personal relevance, understandability et cetera (which led to data on how the commercials scored on different dimensions of advertisement-attitude), and to express to what extent the TV commercial improved their (cognitive, affective and/or behavioural) attitude towards the advertising brand (which led to data on how the commercials fared with respect to expected in-market performance).

Next to demographic and psychographic variables (i.e., each respondent's gender, age, and general opinion on advertising) that are already collected through the survey, we augmented our data set by adding information on the (national) cultural profile of each respondent's country-of-residence. To do so, we followed the well-known Hofstede cultural dimensions framework, which uses survey-based data to give countries a (relative) score on six different dimensions:

- **Power distance:** the degree to which society members with less power expect, as well as accept, that power is not equally distributed
- **Individualism:** the degree to which society members prefer loose (rather than tight) social networks and are expected to care for only themselves and their own household (rather than for a more broadly defined circle of family members and friends)
- **Masculinity:** the degree to which a society prefers assertiveness over modesty, competition over cooperation, heroism over caring for the weak, and material rewards over quality-of-life
- **Uncertainty avoidance:** the degree to which members of a society are uncomfortable (rather than comfortable) with uncertainty and unorthodox matters, and make use of rigid rules and principles (rather than having a more relaxed attitude) to maintain as much control as possible
- **Long term orientation:** the degree to which members of a society promote continually adapting themselves and "doing things differently" to prepare themselves for a changing future (rather than adhering to their traditions and norms)
- **Indulgence:** the degree to which a society allows its members to freely pursue goals related to enjoying life and having fun (rather than regulating and/or suppressing such drives)

The primary goal of the study was to assess whether the specific weight each attitudinal dimension has in determining advertisement performance may stem from the cultural profile of the viewer's country-of-residence.

APPLYING LOCAL NUANCES TO A GLOBAL ADVERTISING STRATEGY

The data analysis revealed clear links between Hofstede's cultural dimensions and advertisement performance. Table 1 displays the interaction coefficients between the five advertisement-attitude dimensions with the largest impact on purchase intent and the six Hofstede cultural dimensions. A significant positive (negative) relationship implies that the relative importance of the corresponding advertisement-attitude dimension increases (decreases) in countries for which the corresponding Hofstede dimension is more applicable.

Dimension	Power distance	Individualism	Masculinity	Uncertainty avoidance	Long term orientation	Indulgence
Excitement	,012	,001	-,007	-,003	,010	,021
Brand fit	,006	-,018	-,003	,001	-,003	,002
Credibility	,001	-,016	,007	,001	-,003	,004
Relevance	,016	,051	-,010	-,002	,001	-,017
Novelty	-,007	,023	,013	-,001	,004	-,009

Table 1: Interaction effects between advertisement-attitude dimensions and Hofstede cultural dimensions

.000 Statistically significant positive relationship (under 99% confidence level)

.000 Statistically significant negative relationship (under 99% confidence level)

At the same time, the study also showed that, even across widely different countries, a clear hierarchy exists in the role different dimensions of advertisement-attitude play (in determining the eventual impact of an advertisement on purchasing behaviour). We found that **excitement** (the ad's ability to energise and/or invoke a good feeling among its viewers) and **relevance** (the degree to which the ad conveys a message that its viewers deem relevant and/or close to their personal interests) are always either ranked #1 or #2 in terms of relative importance among the nine dimensions included in our analysis. Together, these two dimensions consistently have high explanatory power with regards to distinguishing between ads which do and do not perform well with regards to purchase activation. This has important implications for marketers. Regardless of the country in which one wants to advertise, the primary focus can almost always lie on designing a campaign that will be perceived as both exciting and relevant by its target audience.

A FRUITFUL ENDEAVOUR

However, substantial variations do certainly exist between countries. For instance, while excitement and relevance always form the top 2 dimensions in terms of relative importance, their combined explanatory power (relative to the nine dimensions as a whole) ranges from a low of $\pm 30\%$ to a high of $\pm 60\%$. And in countries where these dimensions explain a smaller "part of the puzzle", others logically increase in significance instead. Our study has shown that such cross-country differences in the role played by different dimensions of advertisement-attitude, can at least partly be attributed to differences in national culture. For instance, compared to Western(ised) countries that tend to be highly individualistic in nature, people in more collectivist (e.g., Eastern) countries tend to be less driven by the degree of excitement and relevance in an advertisement, but give an above-average weight to **brand fit** as well as to **credibility** in their decisions. While the outcomes of our study do not necessarily imply that global brands need an entirely different strategy for designing commercials across different countries and cultures, some aspects may warrant a bit more (or less) attention when moving towards the final cuts per country. In the sense that perceptions of believability, brand fit, and relevance can often already be changed by adding or removing specific scenes, or even by changing their order, applying local nuances to a global advertising strategy can definitely prove a fruitful endeavour.

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