

In order to succeed internationally a foreign company must understand the impact of the uncontrollable elements that make up that country's culture.

- **Cultural understanding is like an iceberg** - we are not aware of nine-tenths of it.
- To adapt, the market plan needs to incorporate strategies to anticipate as much of the uncontrollable factors that influence both the foreign and domestic markets and allow for maximum flexibility to adjust for future changes.

Ethnocentrism

- Another major obstacle in international marketing success.
- This is **the idea that things done in your culture is the correct and best way of doing things.**
- You tend not to look through the eyes of the foreign consumer.

Problem with SRC and Ethnocentrism

- Letting these two issues cloud your judgment can cause you to not understand the other culture.
- As a result you will not be able to provide the product that the consumer wants.

Suggested Framework for Avoiding Self Reference Criterion and Ethnocentrism (SRC)

- Define the business problem or goal in home-country cultural traits, habits, or norms.
- Define the business problem or goal in foreign-country cultural traits, habits, or norms through consultation with natives of the target country. **Make no value judgments.**
- Isolate the SRC influence in the problem and examine it carefully to see how it complicates the problem.
- Redefine the problem without the SRC influence and solve for the optimum business goal situation.

Developing Global Awareness

- When **doing international marketing**, the following must be undertaken:
 - Maintain objectivity
 - Be tolerant of other people's culture
 - Understand and absorb knowledge of cultures, geography, social trends, political trends, and economic trends.
- **Build Global Awareness through:**
 - Selecting individual managers specifically for their demonstrated global awareness.
 - Personal relationships in other countries.
 - Having a culturally diverse senior executive staff or board of directors.