An Examination of Contemporary Marketing Practices Used by Organization with Different Culture Types: A Test of the Convergence Theory in the US and Cote d'Ivoire

Victoria Lynn Miller

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An Examination of Contemporary Marketing Practices Used by Organizations with Different Culture Types: A Test of the Convergence Theory in the US and Cote d’Ivoire

by

Victoria L. Miller

A Dissertation Submitted in Partial Fulfillment of the Requirements for the Degree of Doctor of Philosophy in the J. Mack Robinson College of Business of Georgia State University

Dr. Wesley Johnston, Chair
Dr. Kofi Dadzie
Dr. Sevin Eroglu
Dr. Shaker Zahra
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VICTORIA LYNN MILLER
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AN EXAMINATION OF CONTEMPORARY MARKETING PRACTICES USED BY ORGANIZATIONS WITH DIFFERENT CULTURE TYPES: A TEST OF THE CONVERGENGE THEORY

BY

VICTORIA LYNN MILLER

A Dissertation Submitted in Partial Fulfillment of the Requirements for the Degree of Doctor of Philosophy in the Robinson College of Business of Georgia State University

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ABSTRACT

AN EXAMINATION OF CONTEMPORARY MARKETING PRACTICES USED BY ORGANIZATIONS WITH DIFFERENT CULTURE TYPES: A TEST OF THE CONVERGENCE THEORY IN THE US AND COTE D’IVOIRE

By

VICTORIA LYNN MILLER

Committee Chair: Dr. Wesley Johnston

Major: Marketing

A framework for a strategy fit with national and organizational culture holds several implications for multinational business managers. First, culture is a critical variable in the strategy process and it should be explicitly examined as a part of the process. Second, culture might encourage and support organizationally a particular business level strategy and may affect marketing practices. This approach views transactional and relational practices as part of a continuum.

This study has examined over 250 firms in the United States and the Cote d’Ivoire on the dimensions of their organizational culture, national culture and contemporary marketing practices. In essence, this is a test of the convergence theory versus cultural specificity debate. The study first establishes a model in the US of the relationship between organizational culture and contemporary marketing practices and then tests it in Cote d’Ivoire. Lisrel is used to examine the goodness of the fit of the model. Results indicate that differences in national cultures call for differences in marketing practices since the US model does not fit in Cote d’Ivoire. The differences between the two models and implications for a new Ivorian model are discussed.
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CHAPTER 1

INTRODUCTION

Organizational Culture

What makes a winning organization? Some requirements include a high quality, distinctive product or service, offered at a reasonable price, using advanced technologies and systems. In order to create and maintain these elements of success, an organization must have a clear vision, which is communicated from the top. Researchers have examined many facets of organizations in an attempt to identify the elements that contribute to long-term organizational success. In the mid-1970s, organizational sociologists began to realize that the traditional models of organizations did not always help them in understanding disparities between organizational goals and outcomes and between strategy and implementation. Most models have incorporated systems, structure and people, but seldom culture (Schwartz and Davis 1981). Culture is a completely different component that contributes significantly to organizational functioning.

Organizational culture is an important concept in marketing management, but this importance has not been reflected in scholarly studies. The lack of development in this area may be attributed to, as suggested by Ruekert and Walker (1987), the relatively greater attention given to consumer than to organizational issues in marketing in general. As it relates to marketing, the study of culture focused primarily on understanding consumer behavior, particularly the definition of cultures and subcultures as market segments and cross-cultural comparisons of international markets (Kollat, Engel and Blackwell 1970; Zaltman 1966).

Several scholars have begun to recognize the importance of organizational culture in the management of the marketing function. Weitz, Sujan and Sujan (1986) included
organizational culture in their development of a model of selling effectiveness.

Parasuraman and Deshpande (1984) suggested that greater attention be paid to organizational culture along with structural explanations for managerial effectiveness. In addition, many successful books have emphasized the importance of organizational culture as in determining corporate performance (e.g., Deal and Kennedy 1982; Ouchi 1981; Peters and Waterman 1982). Pascale and Athos (1981) included the major theme of comparing the functioning of U.S. and Japanese firms with culture as a principal explanatory variable. They suggest that culture is a possible explanation for differences in competitive effectiveness when only a small number of differences in the structural characteristics of the organizations are apparent. Ouchi and Wilkins (1985) suggest models of organizations that did not include culture as a specific organizational variable were incomplete.

Organizational culture is important in terms of relationship marketing. To employ the concepts of relationship marketing effectively, the organizational culture must be receptive, so that it allows the structure to change in order to facilitate exchanges of information and support for the commitment to long-term decisions. Research on organizational structuring has been toward assessing the effect of contingency factors. In other words, effective structuring must fit the situation that the organization is in.

Typical approaches to studying corporate culture fall into the qualitative genre focusing on understanding values, assumptions, socialization processes, and meaning systems as interpreted through artifacts, archives, interviews and observations (Denison, 1996). While qualitative research provides rich ethnographic perspectives, it does not allow for the comparison of one culture to another across a variety of variables or the
comparison of culture and organizational results. Without the connection to business outcomes, it is difficult to expand our knowledge of the implications of culture. There is a need to complement the qualitative research on culture with quantitative analyses that allow for comparisons of cultures. Comparing culture or behavioral data and performance will provide much needed information about industry types, cultural styles, and the connection between corporate culture and business performance. It will also contribute to our understanding of the long-time assumptions and anecdotes about the effects of strong and weak cultures. Among the quantitative studies comparing culture and performance to date, most do not capture the “natives’ point of view” or participants’ interpretation of culture. Rather culture ratings come from outside the organization from industry experts or other Chief Executive Officers (CEOs). Using cultural labels and types as described by the participants of culture seems an appropriate way to understand the reality of an organization’s environment.

Studying organizational processes and using the responses and judgments of individual members of the organization as indicators of those processes and conditions can be a useful way to understand and predict future performance and effectiveness. Very little research of this type appears in the academic literature on climate or culture or in popular writing on the topic. (Denison, 1997, p. 77)

Coviello, Brodie and Little (1997) provide an exception. In their article, the authors began by first performing a qualitative analysis by having the respondents create case studies of their organizations. They examined the actual practices and then created a classification of these practices to be used to perform quantitative analysis. Although culture was a construct, the focus of the article was a re-examination of the relational marketing construct and marketing practices.
Relational Marketing and Contemporary Marketing Practices

Ask a student of marketing, “What are the tools of the marketing manager?” and the response that has been drilled into them is “the marketing mix, or the 4 Ps.” But does this response aptly capture the nature of the current business environment? Missing is the role and importance of relationships in business-to-business, which has been well recognized in the literature. Business markets are characterized by buyer-seller interdependence (Hutt and Speh 1984; Webster 1978). Hutt and Speh stated that “…building one-to-one relationships with customers is the heart of business marketing.” Relational marketing is clearly used by businesses and contributes greatly to business performance. However, a precise definition of relational marketing is not clear in the literature and the term relationship marketing is used to capture several differing themes or perspectives (Nevin, 1995). For example, in some streams of literature this term focuses on the relationship(s) of the business with their customer(s) with the emphasis on retention (Parvatiyar and Sheth 1995; Sheth 1995). However, the relationship with suppliers, partners, and other non-business entities are not considered.

Another view of relationship marketing focuses on the use of technology to acquire, maintain and manage customers (Copulsky and Wolf 1990; Peppers and Rogers 1997). As such, it can be considered as an elaborate form of database marketing. Yet another perspective considers the relationship more in terms of a cooperative between the buyer and the seller. The role of the buyer is more involved and is more characteristic of a partner because of his/her involvement in the development and design of the products and services that are offered by the seller. The relationship in this buyer-seller dyad is based on the relational characteristics of promises, trust and personal interactions.
(Anderson and Narus 1990; Groonroos 1994). The final perspective is an all-inclusive strategic view of relationship marketing which includes databases: loyalty programs, customized services, personalized relationships, strategic alliances (Kotler 1992; Morgan and Hunt 1994).

Relationship marketing offers a new paradigm for the field. An understanding of contemporary marketing should include the concept of relationships (Kotler 1992; Sheth, Gardner and Garrett 1988; Sheth and Parvatiyar 1995; Webster 1992). Coviello et al. (1997) attempted to resolve this issue when they examined a paradigm shift in marketing in terms of relationship marketing by pooling a variety of research streams on relational marketing and developing a classification scheme. Their research encompasses four types of marketing practices: transactional marketing, database marketing, interaction marketing, and network marketing. Transaction marketing includes the management of the 4 Ps in order to attract and satisfy customers. Database marketing involves the use of technology based tools to target and retain customer. The key to database marketing success is in managing data selection, data integrity, privacy issues, supplier relations, and data analysis and application.

Fostering a market orientation is the single most important factor in organizational readiness for database marketing (Seiler, 2000). Interaction marketing examines the developing of interpersonal and individual buyer-seller relationships. The network marketing focuses on the position of the firm in a connected set of interfim relationships. The hypothesis that these authors proposed was that transactional and relational marketing are not mutually exclusive; rather, they are parts of the same paradigm. Although each of these constructs is clearly different, the basis of the
framework allows for marketing practice to be pluralistic, therefore the constructs are not necessarily mutually exclusive. In other words, an organization that practices transaction marketing could also practice other contemporary marketing practice such as database, interaction, or network marketing. They propose that the relative emphasis given to either one of these perspectives differ under different market conditions or business situations (Webster 1992).

Convergence Theory vs. Cultural Specificity

National culture is believed to moderate firm actions via altering its organizational culture. Moderators are based on the indices established by Hofstede of power distance, uncertainty avoidance, masculinity/femininity, and individualism/collectivism (see Figure 1).

Figure 1

National Culture and Organizational Culture Influences on Contemporary Marketing Practices

ORGANIZATIONAL CULTURE
- Adhocracy
- Market
- Clan
- Hierarchy

NATIONAL CULTURE
- Power Distance
- Uncertainty Avoidance
- Collectivism/Individualism
- Masculinity/Femininity
- Confucian Dynamic

MARKETING PRACTICES
- Transaction
- Database
- Interaction
- Network
Practices are embedded in their culture of origin and diffuse most easily in organizations with similar cultural compositions. Organizational culture is distinctively influenced by its surrounding national culture.

An increasingly debated topic in the international literature is the transferability of management and marketing theories and practices across national borders and different cultures (Adler and Jelinek 1986; Akaah, Dadzie and Riordan 1988; Norburn, Birley, Dunn and Payne 1990). The determining factor as to whether the practices are successfully exported is the comparability of cultural values between the nations.
Enough observable and measurable significant differences exist among nations that affect behaviors of consumers and marketers in international marketing research (Nakata and Sivakumar 1996). A central finding of international management has been that practices differ in different environments. In the field of sociology, it is presumed that national culture’s strong and enduring effect on values is based on the social and cognitive development that occurs in early childhood. This socialization serves as a framework for structuring the perception the individuals in the society (Lilien, 1987). National culture is the foundation of employees’ understanding of their work, what they expect from it, and how it is approached. As a consequence, when management practices do not fit or are incongruent with the deeply held values of the users of a management practice, there is likely to be resistance that will diminish the benefits expected its implementation. On the other hand, management practices that reinforce pre-existing values are much more likely to be well received, used, and extensively implemented. Several authors have established the importance of congruency of values and practices (Earley 1994; Newman and Nollen 1996).

Researchers continue to examine the universality and/or applicability of the management and organizational theories currently popular in the United States (Hofstede, 1993; Norburn, Birley, Dunn and Payne 1990). The convergence theory contends that managerial practices and theories are universal. In other words, concepts that are true in one country should also be true in others (managerial universality; Norburn, Birley, Dunn and Payne 1990). In many countries, there is a heavy reliance on U.S. teaching materials, and business practices seem to have legitimized this stance (Aktouf, 1992). The dominance of American management theory led to the belief that “one size fits all”:
Effective U.S. management practices will be effective anywhere. This view is now being replaced with the knowledge that managerial attitudes, values, behaviors, and efficiency differ across national cultures. There is no one best way to manage a business. Therefore, differences in national cultures call for differences in practices.

**The Importance of International Research**

**Globalization**

Not so long ago managers had only to consider local forces when making decisions. Now decisions must be made with consideration of the impact of global forces (economic, legal, political, cultural, etc.). As defined by the International Monetary Fund, globalization “is the process where countries can increase both their volume and variety of cross border transactions in goods and services.”([www.imf.org](http://www.imf.org)). As a result, the global economic system is more and more integrated. Globalization has increased due to the opening of markets, global technologies, the internet and increased efficiencies in transportation. Although these forces affect globalization, this phenomenon is driven by organizations as they pursue greater profits through cheaper labor and raw materials, and greater market share by expanding into new markets.

The world is losing its borders. GATT, NAFTA and the European Economic Union are evidence of this. Exports into the world market have quadrupled in less than thirty years. For more than five decades, near one-half of global markets were closed to Western businesses. Eastern European, Latin American, and Asian markets have proved profitable for international business and the growth potential is still very good. Thinking globally has become more relevant to managers than any time before. In terms of product management, standardization versus customization is the fundamental question.
However, globalization requires organizations to vary practices and be aware of differences in societal values and their impact on production, packaging and marketing. Oftentimes, management practices differ across cultures even when products do not. For example, Levis are the same around the world. However, Levis in Africa represents status and luxury, while Levis in the US are utilitarian. In terms of managerial practices, one can adopt the old adage of “when in Rome, do as the Romans do.”

**Outsiders Get Serious About Africa**

Africa is the final frontier for business and research. When the Berlin Wall fell in 1989, Sub-Saharan Africa dropped off almost everyone’s scope. Without the Cold War’s proxy rivalries, the vast region below the Sahara couldn’t compete with foreign investment opportunities opening up in Eastern Europe, Latin America, and Southeast Asia.

That’s now changing. Most of sub-Saharan Africa’s 48 countries are under pressure from the International Monetary Fund to rein in fiscal deficits. This is being accomplished by liberalizing their economies and by putting privatization high on their agendas. Private investment in Africa, when coupled with sound government economic and social policies, has delivered exceptional returns. U.S. companies enjoyed return on investments as high as 25% in Africa, while similar ventures in all developing countries equaled only 17%. This can be compared with a return on investment in developed countries of less than 9% (www.imf.org). These outstanding economic results demonstrate the exceptional opportunities offered by progressive African countries. The United States will aggressively compete against, and eventually surpass, its global competitors within the African marketplace, eroding centuries of European economic
dominance.

**Côte d’Ivoire/Ivory Coast**

Emerging market watchers tout the Côte d’Ivoire (Ivory Coast) in particular. The resiliency of the economy of the Côte d’Ivoire has provided a positive commercial environment for an expanding U.S. business presence. Economic indicators for this country and the role of the World Bank are included in Appendix A. The beneficial effect of the devaluation of the CFA franc in January 1994, combined with the dual programs of trade liberalization and domestic economic reforms, has made Côte d’Ivoire one of the leading beneficiary of the economic expansion now underway in the 14 countries of the CFA Franc Zone. After a decade of negative growth, Côte d’Ivoire has pursued a comprehensive structural reform program following devaluation, which has resulted in steadily increasing annual growth rates. Over the last eight years especially, private investment has increased in real terms and foreign direct investment has surged. For example, investments by the World Bank’s private sector window, the International Finance Corporation, were flat prior to devaluation, but soared to over $100 million during 1994 and 1995 (www.imf.org). An expansion in the pace of the privatization of state-owned companies is also promoting private sector growth. One result has been a boom in the Abidjan Stock Exchange, whose index of stocks has dramatically increased. The growth in foreign investment should continue due to more business oriented investments and labor codes now in place, and because of the expansion of the Abidjan Stock Exchange to a computerized regional exchange covering the seven countries of the West African Monetary and Economic Union. Côte d’Ivoire’s international trade has benefited greatly.
U.S. goods are in great demand in this part of the world. U.S. direct investment has expanded steadily since 1994 with over 50 U.S. companies now resident in Côte d’Ivoire. There are major U.S. investments now in petroleum/natural gas, housing, services, telecommunications and transportation. In addition to the good sales prospects for U.S. goods and services in petroleum/natural gas, housing services, telecommunications and transportation, major project opportunities exist in electric power generation, agricultural-business development, telecommunications equipment, automobiles, construction and mining equipment, food processing equipment, oil and gas equipment (www.4worldbank.org). These opportunities arose from the abolition of non-tariff barriers, with the exception of those deemed necessary for health or environmental reasons. A lowering of import duties has facilitated two-way trade, except for those protective tariffs, which remain imposed on major Ivorian agricultural imports like rice, flour, and sugar, agricultural equipment, air conditioning and refrigeration equipment, computer hardware and software, chemicals, and generic pharmaceutical products.

Interest in U.S.-Ivorian trade and investment is growing on both sides of the Atlantic. From the perspective of U.S. businesses, Africa is an untapped market for an array of products. The world has become so saturated that U.S. businesses are looking to expand into new markets as a growth strategy. From the perspective of Cote d’Ivoire trade is important because of the reliance on their economies on exports. Establishing strong trade relationships throughout the world will help elevate the status of developing countries. The desire of Cote d’Ivoire and other developing countries to compete globally explains the desire to adopt US style business, and in particular, marketing know how. The AMA definition of marketing is “the performance of activities . . . to create exchange
that satisfy individual and organizational objectives.” Many developing countries realize that in order to compete globally they must not only understand concepts, they must implement them. However, these concepts assume a buyer’s market and many developing countries are characterized as a seller’s market. This has far-reaching implications in transferring the US style marketing philosophy and know how into these businesses.

It is useful to perform research in this part of the world because it provides an interesting comparison of Western concepts in emerging markets. It provides a true test of whether the convergence theory is the most appropriate approach to globalization or whether culture specificity is necessary (Norburn, Birley, Dunn and Payne, 1990).

It is well established in the literature that the United States, based on Hofstede’s classification, is classified as low power distance, low uncertainty avoidance, individualistic, masculine and short-term oriented (Hofstede, 1980; 1983; 1991). Applying Hofstede’s model in this part of the world will complete this literature. In a survey of 42 people from the Côte d’Ivoire, this country was classified as high power distance, high uncertainty avoidance, collectivistic, and short-term oriented. Classifying this country on the masculinity/femininity dimension proved interesting. In some respects it almost dictates a third model. In this part of the world, there is more equality in the value of both the feminine and masculine characteristics (these characteristics will be further discussed in the literature review). Côte d’Ivoire is a good choice for the test of the transferability theory. On the key national culture dimensions most associated with relationism (power distance, uncertainty avoidance, and individualism/collectivism), this country is classified as the polar opposite of the United States. Research in this part of the
world will provide insight into the transferring of contemporary marketing and
management practices.

**Purpose of the Research and Contribution**

The purpose of this research is to examine the impact of national culture on
organizational culture and contemporary marketing practices in buyer-seller
relationships. This research is relevant to business marketing practices since it examines
the actual business-to-business exchanges. In addition, the general sentiment is that
organizational culture is important in firm performance and efficiency.

The theoretical contribution is to expand on the concept of relational marketing
and contemporary marketing practices as proposed by Coviello et al. (1997), by looking
at it in a two-nation study. Researchers have found support for this paradigm shift in
relational marketing in other countries. However, there has been limited testing in the
United States. The second contribution is to examine the extent to which national culture
affects organizational culture and the use of contemporary marketing practices. The third
contribution will be to develop a base U.S. model of the contemporary marketing
practices utilized by the various organizational cultures. This model will then be tested in
Côte d’Ivoire to see if it fits, thus establishing managerial universality or cultural
specificity. The thesis here is that U.S.-based models will not fit well because of
different environmental conditions. The final contribution is to add to the literature
concerning the emerging markets in Africa.
CHAPTER 2
NATIONAL CULTURE

Definition

Culture can be looked at as the set of social norms and responses that is the foundation of the behavior of a population’s behavior. It is the rules and behavior patterns that an individual acquires after birth (Ashforth and Mael; 1987). In other words culture is learned. These societal characteristics form the basis from which individual characteristics grow, which in turn make an individual unique among other members of society (Keats and Hitt; 1988). While differences exist between individuals within a society (leading to the assertion that the sum of multi-modal personalities may more appropriately describe national character), the acquisition of culture creates a national character that represents the enduring personality characteristics found in particular nation states (Datta and Puia; 1995)

National culture is defined as the values, beliefs, and assumptions learned in early childhood that distinguishes one group of people from another (Hofstede 1991). It is embedded deeply in everyday life and is relatively resistant to change. The national culture of the country within which an organization is based will impact how a company operates. The home country is a significant environmental factor for the company. This poses unique problems for multi-national companies. When a multinational company attempts to bring it’s corporate culture to a new country that is clearly different from the national culture of the host country, problems may result.
Individuals have a unique lens in which they see the world. Research has shown that people pay attention to, interpret, and retain information based on their values, assumptions and expectations. Different assumptions and values lead to different ways of looking at the same thing (Sims 2000). These cultural differences will then influence managers and employees in important aspects that need to be understood if an organization is to be effective in another culture.

National culture influences organizational cultural values (Newman and Nollen, 1996; Deal and Kennedy, 1982; Hofstede, 1980). One can see the relationship between the cultural values as established by Hofstede and the organizational cultural values established by Quinn and Rohrbaugh in their 1983 work. It is well established in the organizational literature that the leader’s/manager’s values are formed from external influences which include culture, political system, economic system, market volatility, pace of technological change, market heterogeneity and internal influences such as age of company, size, market volatility, technical system and international experience (Lambkin and Day 1989). The congruence between the national culture, the organizational culture and contemporary marketing practices has a tremendous influence on transferability and implementation (Erez 1986; Newman and Nollen 1996; Ouchi and Wilkins and 1985). Newman and Nollen (1996) successfully established that a fit between organizational practices and national culture would lead to higher performance. It is a central organizing principle of employees’ understanding of work. Hofstede’s five cultural dimensions were used to empirically examine the effect of congruence. He examined the fit between the cultural dimension and the management practices. Hofstede tested the relationship between power distance and participative work units, uncertainty and
established rules and directions, individualism/collectivism and responsibility, masculine/feminine and merit based reward practices, and long/short term orientation and long/short term outlook.

National culture is a central organizing principle of employees’ understanding of work, what they expect from it, their approach to it, and the way in which they expect to be treated. National culture implies that one way of acting or one set of outcomes is preferable to another. This socialization serves as a framework for structuring the perception of all individuals. When management practices are incongruent with the deeply held values of the population of users of management practice, there is likely to be resistance to its broad application, diminishing the benefits expected to flow from its implementation. Conversely, management practices that reinforce pre-existing values in population are much more likely to be well received, used, and extensively implemented.

Multinational companies are increasingly interested in promoting corporate culture as a way of exerting control over their foreign branches or subsidiaries (Schneider, 1988). Oftentimes the subsidiaries are operating within national cultures different to that of the corporation’s home culture. Multinational companies operating in various cultures will therefore need to fully understand the strong impact that the national culture has on the organization’s subsidiaries. Special challenges will face managers operating in this situation. The basic underlying assumptions about people and values of the national culture may be in conflict with the underlying assumptions of the corporate culture. There must be a fit between management practices (based on their values) and national culture. These differences will impact the organizational functioning and could result in lowered effectiveness and productivity.
Congruency of practices with the environment should allow firms to generate higher returns from the beneficial fit between structure and environment. In this case, the external environment includes the national culture from which a firm draws its human resources, and the internal structure includes the firm’s managerial and administrative practices. When management practices are inconsistent with these deeply held values, employees are likely to feel dissatisfied, distracted, uncomfortable, and uncommitted. As a result, they may be less able or willing to perform well. Management practices that reinforce national cultural values are more likely to yield predictable behavior, self-efficacy and high performance (Early 1994) the reason for this is that congruent management practices are consistent with existing behavioral expectations and routines that transcend the workplace. Employees are not distracted from work performance by management practices that ask them to behave in ways that are consistent with extant national cultural values. The congruence between management practices and the characteristics of the national culture produce better performance outcomes.(Wilkins and Ouchi 1983, Denison(1990)

**Hofstede’s Research**

In 1980, Hofstede gave greater attention to the role of cultural differences in his major work, “Culture is Consequences”. He empirically derived a multidimensional framework of national culture in a landmark study that examined the values of 16,000 workers from IBM’s subsidiaries in over 50 countries (Hofstede 1980; 1983a; 1983b; 1984a; 1984b; 1984c; 1991; 1994). This study concentrated on personal values as they relate to the work setting. Employees completed questionnaires about their personal values. Hofstede used the responses to make comparisons of many countries on various
dimensions. This was the first major quantitative study designed to look at differences and similarities of values across cultures. Since all of the individuals studied were from the same company, Hofstede argued that the differences in values between countries must be directly related to differences in national cultures. In other words, this eliminates the corporate culture dimension’s influence on the individual’s values. Hofstede’s original analysis showed that national cultures could be distinguished across four key dimensions. A fifth dimension was added (Hofstede and Bond 1988). These dimensions include:

**Power Distance**

“It is the extent to which social inequalities are accepted by a society. In addition, it is the extent to which people believe that power and status are distributed unequally and accept an unequal distribution of power as the proper way for social systems to be organized.” (Hofstede 1980, p. 122)

Power distance has to do with the degree to which unequal distribution of power and wealth is accepted. In large power distance societies, there is a greater degree of dependence on those in positions of power, while in small power distance societies; there is a higher degree of interdependence between bosses and subordinates. People with titles, rank, and status are less likely to be held in awe

New management techniques prescribe a leadership style that preaches that managers are supposed to coach, rather than control, to facilitate the group’s effort to solve a problem. This means letting go of the tendency to control and allow subordinates to make full use of their skills and abilities. Small power distance cultures seem to be much better suited to both relational and psychological empowerment. Medium power distance countries, such as the U.S., have problems operating in countries with very small power distances because of what is seen to be a lack of respect for managerial prerogatives. Differences in the basis of power and control in organizations is something
that the new management literature tends to ignore (Aktouf, 1992; Wood, 1989).

**Individualism/Collectivism**

“It is the extent to which group interests prevailed over those of individuals or vice-versa. It is the extent to which identity derives from the self versus the collectivity. Individuals are expected to look out for themselves and their immediate families. Status derives from individual accomplishment. Collective cultures rely on membership in groups (social classes, communities, religions, or extended families) for identity and status. Examples of individual countries include: US, Britain, Australia, New Zealand, Ireland, Canada. Taiwan, Korea, Singapore, and Hong Kong are characterized as being collective countries.” (Hofstede and Bond 1988, p. 10)

The degree of individualism or collectivism in the larger culture has important implications with the distribution of status and power in organizations. In addition, individualism/collectivism refers to the degree of integration between members of society and the extent to which it value individual over collective needs. In collectivist cultures, group interests supersede individual interests, and one’s sense of identity is defined by the relationship to the group. Individualist cultures, on the other had, place greater emphasis on self-sufficiency and individual identity. Group harmony and loyalty are less important than individual achievement and autonomy. The good of the group and the good of the identical are seen as identical. As a result, a primary value of collective cultures is striving to bring about the greatest harmony and collective good while honoring the freedom and autonomy of oneself and others. Individuals who acquire wealth is expected to be shared for the collective good.

The employer-employee relationship is more like a family relationship with strong emotional and moral ties (Hofstede, 1993) as it is in many collectivist societies. This contrasts with the individualistic or market view of the employment contract as simply an economic transaction between the buyers and sellers of labor. In collectivist
cultures, the organization often becomes the family to which members have a strong affiliation and loyalty. Leaders are expected to show strong feelings of obligation to the group. Individual autonomy and recognition are also important, but only in so far as they benefit the group. Teamwork and group based incentive programs, and then are more likely to be accepted in societies with a strong collectivist orientation than in societies that are highly individualistic. Strong affiliation and the development of interpersonal relationships or networks are also part of the new management culture. Where there is open communication, and relationships develop among workers and between workers and customers. The family or team metaphor is used frequently to express a shared sense of purpose and commitment throughout the organization (Ouchi, 1982).

**Masculinity/Femininity**

“This dimension goes beyond the extent that males are preferred in the society. It is how much a society is characterized by their assertiveness, competition and materialism (masculinity) versus their caring and nurturance (femininity) Masculine cultures value achievement and abhor failure while feminine cultures value affiliation and view failure as much less important. Feminine characteristics according to Hofstede include sharing, helping, emphasis on personal relationships, the value placed on modesty rather than aggressive or assertive behavior, sympathy for the weak, and preference for compromise over conflict.” (Hofsted 1984. p. 184)

U.S., Japan and Germanic countries are considered masculine. Nordic countries such as Denmark, Norway and Sweden typify feminine countries. Masculinity/Femininity has to do with the degree to which cultures stress aggressiveness, achievement, and pursuit of material things versus relationships, harmony, and preservation of the quality of life. Unfortunately, Hofstede labeled cultures with the former characteristics masculine, and cultures with the latter set of characteristics feminine. This dimension has been criticized for being sexist. An alternative way of describing this dimension is to use the quality
versus quantity of life dichotomy. However, this tends to obscure the importance of
gender inequality as criteria for distinguishing one culture from another. An important
aspect of this dimension is the degree to which some cultures emphasize gender as a basis
for the division of social roles (Hofstede 1991). The masculinity/femininity dimension
provides insight as to why some cultures associate assertive behavior with leadership and
success and why attitudes toward conflict resolution vary considerably across cultures.
Hofstede acknowledges that there is not necessarily any relationship between femininity
and masculinity of a culture and the actual distribution of power and status. (1993)

Uncertainty Avoidance

“It is the extent to which members of a culture are threatened by uncertain,
unknown, or unstructured situations. This dimension reflects the way
different societies deal with the uncertainty of the future. Do they believe
that they have considerable control over future events, or do they tend to
attribute things to fate or God’s will? Cultures with high uncertainty
avoidance tend to try to control their environment by creating laws, rules,
and institutions; developing technology; nominating experts; or adopting
religious or secular dogma. A culture will rely on structures, institutions,
and rules to reduce ambiguity and uncertainty” (Hofstede and Bond 1988,
p. 11)

In organizations, uncertainty avoidance is manifested by the clarity of plans, policies,
procedures, and systems. Organizations in cultures with high uncertainty avoidance are
more likely to be bound by formality and rules. People are often hurried and preoccupied
with work. Reliance on clear procedures, well-know strategies, and well understood
rules helps employees reduce uncertainty and cope with their discomfort with unknown
situations. This dimension has probably been criticized more than any other of
Hofstede’s dimensions. Some have argued that it may be an artifact of the time during
which it was developed (the 1960’s and 1970’s). Hofstede himself acknowledged that
the underlying attribute implicit in this dimension are characteristic of Western thought
and are not seen as strongly in Eastern philosophies (Hofstede 1991). Nevertheless, the
dimension is consistent with the work of others. There is a tendency to seek absolute
truth and be less tolerant of deviant beliefs and behaviors. Cultures with low uncertainty
avoidance are often more tolerant, even curious about those who are different. They are
less anxious about the future and more willing to accept ambiguity. Cultures with low
uncertainty-avoidance, view themselves as being as competent as and empowered to
voice protest against authorities. Members of this culture tend to be more relaxed and
less structured in their approach to work and life.

Confucian Dynamism (Time Orientation)

“This dimension determines whether cultures were short-term or long-
term oriented. This refers to a country’s time orientation (Hofstede and
Bond 1988; Hofstede 1991). This dimension was added after Hofstede’s
original research on IBM. Confucian dynamism (or time orientation)
distinguishes between a long-term and short-term orientation toward life
and work. Many of the values associated with long-term and short-term
orientation bear resemblance to Confucian teachings. Cultures oriented
toward the long term emphasize thrift, saving, persistence with slow
results, adaptation of traditions to a modern context, acceptance of unequal
relationships, respect for one’s elders and ancestors and a concern for
virtue rather than truth. Cultures oriented toward the short term respect
traditions and social status regardless of cost, are concerned with saving
face, and are less likely to save for the future. They tend to see things in
terms of right and wrong and expect quick results.” (Hofstede and Bond
1988, p. 17)

This value manifests itself in organizations in terms of their methods of decision making
and management practices. Short term orientation is associated with respect for tradition,
small savings with little for investment, maintaining face, and reciprocal favors. It is an
orientation to the past and the present. For example, a too traditional approach may slow
innovation, or a concern for quick results may undermine relationships.
Organizational Culture

Definition Of Organizational Culture

Organizational culture has more to do with “shared perceptions of daily practices”, or “the way we do things around here.” (Deshpande, Farley and Webster 1993, p. 24) Whereas national culture resides mostly in fundamental values acquired through socialization from childhood to adulthood (Hofstede, 1991)

When discussing the definition of culture, it is necessary to discuss the definition of climate because these terms are erroneously interchanged. Climate relates to “member’s perceptions about the extent to which the organization is currently fulfilling expectations” (Deshpande and Webster 1989, p. 5) While climate answers the question of “what happens around here,” culture explains ‘why do things happen the way they do’ (Deshpande and Webster 1989, p. 5).

Background

Culture contributes significantly to how organizations function. Those studying organizations have developed more of an interest in organizational culture (Ouchi and Wilkins, 1985) stated that it “has become one of the major domains of organizational research, and some might even argue that it has become the single most active arena” (p. 458). Ouchi’s(1981) Theory Z, Peters and Waterman’s(1982) In Search of Excellence, Deal and Kennedy’s(1982) Corporate Cultures, and Schein’s(1992) Organizational Culture and Leadership have all studied the role of organizational culture in improving managerial and organizational performance. Many researchers agree that organizational culture is central for overall performance.

Organizational culture is defined as the “pattern of shared values and beliefs that
help individuals understand organizational functioning and thus provide them with the norms for behavior in the organization” (Deshpande and Webster, 1989, p. 4). It attempts to answer the question “why things happen the way they do?” (p.4). Culture contributes significantly to organizational functioning. Organizational culture is an important concept in marketing management. This importance has not been reflected in scholarly studies. The lack of development in this area may be attributed to, as suggested by Ruekert and Walker (1987), the relatively greater attention given to consumer than to organizational issues in marketing in general. As it relates to marketing, the study of culture focused primarily on understanding consumer behavior, particularly the definition of cultures and subcultures as market segments and cross-cultural comparisons of international markets. (Engel, Kollat, and Blackwell 1968)

Organizational Culture is important for implementation of relationship marketing. To effectively employ the concepts of relationship marketing, the organizational culture must be receptive thus allowing the structure to change in order to facilitate exchanges of information and support for the commitment to long-term decisions. The most effective culture must fit the situation that the organization is in.

Organizational Culture Paradigms

There are several paradigms in the study of organizational culture. The first paradigm, comparative management, looks at organizational culture as an exogenous variable. Grounded in functionalism (Malinowski 1961) and classical management theory (Barnard, 1938), researchers are attempting to explain the differences in organizational outcomes. Cross cultural studies are predominant in this paradigm. When culture is treated as an independent variable, endogenous to the firm, this is the
contingency management perspective. In this paradigm, which is grounded in structural functionalism (Radcliffe-Brown, 1952) and contingency theory (Thompson 1967), research attempt to measure how corporate performance is influenced by the shared values, beliefs, and identities, and commitment of the organizational members. In the organizational cognition paradigm, the research attempt to understand the rules that guide behavior (shared cognition, systems of values and beliefs, the unique way that the organization’s members perceive and organize their world (i.e., schema; Weick, 1985). This paradigm is grounded in ethnosciences (Goodenough, 1971) and cognitive organization theory (Weick, 1979). The focus is on the mind of the manager. The organization is viewed as a knowledge system. The next paradigm, organizational symbolism, is grounded in symbolic anthropology (Geertz, 1973) and symbolic organization theory (Dandridge, Mitroff, and Joyce, 1980) The organization is viewed as a system of shared meaning and symbols that provides a background against which organization members organize and interpret their experience, looking for clues as to what constitutes appropriate behavior(Pondy, 1985) The research in this area examines how organizations socialize new members to achieve coordinated action and sense of organizational identity and commitment. An examination of corporate ethos, organizational slogans, and rituals would be typical in this stream of research. The final paradigm is the structural/psychodynamic perspective. This stream is grounded in structuralism and transformational organizational theory (Turner, 1983) Researchers see organizations as a form of human expression rather than as goal oriented, problem-solving instruments(Mitroff, 1982). An example of this would be the development of a classification of managerial styles based on the Jungian archetypes measured by the
Myers-Briggs.

**Linking Organizational Paradigms to Marketing Research**

Significant contributions have been made to the marketing literature by identifying research issues from the various organizational culture paradigms. *Comparative marketing management* focuses on the concept of standardization versus customization of international marketing programs. Examples of research that has already been done within this paradigm include Deshpande, Farley and Webster (1993) in which the authors compare customer orientation and innovativeness in the context of corporate culture between U.S. and Japanese firms. Most of the literature falls within the context of the nest paradigm, *contingency marketing management*. The Deshpande et. al article could also fall within this paradigm. Other topics include, the extent of differentiation of the marketing department within a firm and its impact on marketing to top management (Ruekert and Walker, 1987) Research in *marketing cognition* have studied sources of organizational conflicts involving marketing and other departments (Barclay, 1991). Also, Moorman (1993) examined marketing information processes within the context of organization. Those who study personal selling could greatly expand the body of knowledge in the paradigm of *marketing symbolism*. The emphasis in this paradigm is the socialization of organizational members. An example of this in the literature is Williams and Attaway (1996). The authors explored customer orientation as a mediator or organizational culture’s influence on buyer-seller relationships. Although there are not a lot of examples, some work is being done. In terms of the fifth paradigm, *structural/psychodynamic* few researchers have taken up the issue of empirical investigation. An interesting application of this paradigm is to do historical research. This
would be a way to apply methods using archival data to interpret how an organization grows; in particularly firms that most think of as market driven.

**Contingency Factors Of Structure**

Although these antecedents are not measured in this study, it is worth mentioning the various factors that influence an organization’s structuring. Research on organizational structuring has been toward assessing the effect of contingency factors. The research has concluded that effective structuring must fit the situation that the organization is in. The contingency factors proposed that affect the organizational design are categorized as internal (more controllable elements) and external (uncontrollable environmental elements). The internal factors include age and size of the organization and technical system and are related to the value dimensions dealing with organizational structure (formalization and centralization). Market volatility (or dynamism), pace of technological change and market heterogeneity are the factors external to the organization and are related to the value dimension of organizational focus.

**Internal Factors**

**Age and Size**

Research has shown that both of these have an important effect on structure. As organizations become older and/or larger, they tend to become more formalized and centralized in their behavior. (Blau and Schoenherr 1971) in which they state that the larger the organization, the larger the size of its average unit. This leads to a more elaborate structure, more specialized tasks, more differentiated units and more developed administrative component of the middle management. This is representative of a more formal/centralized mechanistic organizational structure. A simple structure, less
specialized tasks, less differentiated units and less developed administrative component of middle management has a more informal/decentralized organic organizational structure.

**Technical System**

The more regulating the technical system, the more formalized is the work and therefore the more bureaucratic the structure. (Prescott 1986) Also, the more sophisticated the technical system, the more elaborate the administrative structure. The larger and more professional the support staff, the greater the decentralization of technical decisions to that staff, and the greater the use of liaison devices to coordinate the work of the staff. (Prescott 1986; Radcliffe-Brown 1952) The automation of the work tends to transform an informal/decentralized (organic) structure into a formal/centralized (mechanic) one.

**External Factors**

**Market Volatility**

Markets are highly volatile when an organization is unable to anticipate the future. This may adversely affect the ability to make long range plans and optimal decisions.(Achrol 1983) Volatility requires adaptations to changing market conditions due to high levels of uncertainty. Organizations in markets of low volatility tend to be internally focused, while organizations in markets of high volatility tend to be externally focused.

**Pace of Technology Change and Technological Heterogeneity**

Organizations adapts to its external environment. The pace of technological change (volatility) is defined as the rate at which the focal product and its features are
changing. A perception of a rapid pace of technological change creates uncertainty. (Gaski 1989) The temporal nature may create adaptation needs above and beyond the increased information needs identified by the standard theories of organizational structure. Under rapidly changing technological conditions, acquired information is time sensitive and tends to have a shorter shelf life. The implications of a fast paced change may be a disincentive to spend a long period of time in the decision making process. In high volatile environments, high adaptability is necessary. (Gaski 1989)

Technological Heterogeneity

Technological heterogeneity is defined as the degree of dissimilarity between the elements in a particular market. High technology markets tend to have substantial levels of heterogeneity, most typically in the form of standards. This situation is characteristic of emerging markets, in which numerous competitors, many newly formed, offer a multiplicity of products and technological variations (Deshpande, Farley and Webster 1993; Lambkin and Day 1989).

Like the pace of change, technological heterogeneity represents a form of uncertainty, which increases an organization’s information processing requirements and makes local or restricted searches (Morris and Pavett 1992) inadequate. Firms can resolve this form of uncertainty at least to an extent by engaging in more extensive search process (Cyert and March 1992). In highly diverse environments, flexibility is necessary (Gaski 1989). In markets with a low pace of technological change, organizations are more likely to spend a long period of time in the decision making process. This is indicative of organizations that have an internal focus. Organizations in markets with rapidly changing technology must, in order to have good competitive positioning, make
decisions quickly. This illustrates organizations that are externally focused.

**Framework for Organizational Analysis**

Organizational structuring rests in the contingency marketing management paradigm. Quinn and his colleagues have done extensive work in the area of organizational culture. They proposed a competing values model of organizational effectiveness. This model is based on an empirical analysis of the values individuals hold for organizational performance. Quinn and Rohrbaugh found the clusters of values produced dimensions consistent with past research in other disciplines. A common set of dimensions organizes the factors on both a psychological and organizational level, thus leading to a model of culture types. (Quinn and Rohrbaugh 1983)

**Organizational Culture and Value Dimensions**

Organizational structure is central to the capability to solve problems effectively (Levitt 1960) and differentiate communication patterns. Four conceptually unique dimensions of structure have emerged. A rather rigid, highly bureaucratized organizational structure can be described as highly centralized, bound by strong rules and procedures and a strict division of labor and with little member participation in decision making. Less bureaucratic organizational structure with low levels of centralization, rules and procedures, division of labor and a great deal of participation in decision making are likely to be more flexible and, thus, more open to adaptation and change. The more uncertain the environment, the more likely the organization will be structured in a more flexible, less bureaucratic way in order to permit the free flow of generally novel and non-routine information regarding the environment. Static and simple environments do not require a continuous gathering and processing of such information,
and therefore, the structure of departments facing them will be more rigid and bureaucratic. By adapting its structural configuration to match the level of uncertainty in its environment, a firm can facilitate the gathering and processing of information crucial to its decision making; thereby reducing uncertainty to a manageable level.

There are four value dimensions of organizational culture: degree of centralization, degree of formalization, organizational means and ends, and the relative organizational focus. The first value dimension is related to organizational structure in terms of level of participation in decision making. The second value dimension is also related to organizational structure. However, the emphasis is on the level of stability versus the level of flexibility. The third value dimension is related to organizational focus, from an internal, micro emphasis on the well being and development of people in the organization, to an external, macro emphasis on the well-being and development of the organization itself. (Quinn and Rohrbaugh 1983) The final value dimension is related to organizational means and ends, from an emphasis on important processes (planning and goal setting) to an emphasis on final outcomes (productivity). (Quinn 1988) The means/ends dimension is contingent on the organizational structure resulting from the first three value dimensions. These key dimensions represent the bringing together of theoretical traditions from organizational behavior literature, the systems-structural perspective (Van de Ven 1976; Zey-Ferrel 1981) and the transaction cost perspective (Williamson 1975). The weakness of each is more than compensated by the strength of the other. (Ouchi and Van de Ven (1980).

**Centralization versus Formalization**

In the literature on organizational culture, the dimensions of centralization and
formalization have been treated synonymously although they are different concepts 
(Deshpande 1982; Quinn and Rohrbaugh 1983; Quinn 1988 and Deshpande, Farley and 
Webster 1993). Formalization is the degree to which rules define roles, authority 
relations, communications, norms and sanctions, and procedures. This dimension of 
organizational structure is an attempt to measure the flexibility that a manager utilizes in 
terms of leader style and strategic emphases for example. (Deshpande 1982; Deshpande, 
Farley, and Webster 1993) Centralization looks at the delegation of decision making 
authority throughout an organization and the extent of participation by managers in 
decision making. (Alvesson and Lindkvist 1993) The previous literature used one or the 
other as a dimension. This model will use them both although their effects on 
organizational structure development are the same. The organizational focus describes 
whether the emphasis is on the maintenance of an organization’s internal sociotechnical 
system or the improvement of its competitive position within the external environment. 
The means/ends dimension examines the objectives for organizational effectiveness 
(ends) and the method through which they attempt to attain these objectives (means). 

**Organizational Culture Types**

Culture can affect the choice of outcomes and the means to achieve these 
outcomes including organization structure and processes (Webster and Deshpande 1990). 
The model proposes two predominant dimensions by which cultural values vary. These 
two axes form a four cell model of culture. One axis, the informal-formal dimension, 
reflects preferences about the importance of organizational structure and involves a 
continuum from organize to mechanistic processes. The second axis, the internal-
external dimension, describes whether the emphasis is on the maintenance of an
organization’s internal sociotechnical system or the improvement of its competitive position within the external environment. The four cultures resulting from the intersection of the two dimensions have been labeled adhocracies, markets, hierarchies, and clan (see Figure 2, adapted from Quinn 1988).

**FIGURE 2**

Model of Organizational Culture Types

These four cultures influence the emphasis placed on various organizational market information processes. The intersection of these axes produces an emphasis on certain information process. A framework within organization structure is mediated by two conditions: goal incongruence and performance ambiguity. Different combinations of these conditions cause three basic mechanisms of mediation or control. Markets, which are efficient when performance ambiguity is low and goal incongruence is high;
bureaucracies, which are efficient when both goal incongruence and performance ambiguity are moderately high, and clans are efficient when goal incongruence is low and performance ambiguity is high. Organizations organize themselves in terms of these values and their approach to information processing.

The Clan

The clan is informal, decentralized, internally focused, and utilizes cohesion and morale. The means that this culture uses to achieve its goals is by placing value on human resources and on training. There is a great emphasis on human resources and the development of commitment. The philosophy is that a happy employee leads to a good worker. A good worker is high performing. Ouchi who was interested in differences between work setting in Japan and the U.S. defined this as Theory Z. This approach to management recognizes and rewards individual achievements within a group context. This is alternative to the philosophies of Theory X, which assumes that employees are lazy and must be supervised closely, and Theory Y, which assumes that employees are not inherently lazy and given the chance, will do what is good for the organization. In addition, information sharing, cohesiveness, teamwork, and participative decision making is highly valued. The approach to information process is the consensual or team approach. The preference is for low time lines and low certainty, and the need for affiliation and mutual dependence. It is a process-oriented view. When making decisions, time is taken to seek out diverse opinions, yet the emphasis is on harmony. The style of the leader is a mentor, facilitator, and parent figure. The employees bond through their loyalty, tradition, and interpersonal cohesion. The strategic emphasis is toward developing human resources, commitment and morale.
The Adhocracy

The adhocracy is informal, decentralized, externally focused and utilizes flexibility and readiness as its means to achieve growth and acquire resources, its ends. They value their competitive position in the external environment. The strength of this culture is that it fosters adaptability and change. There is a great emphasis on innovation, entrepreneurship, risk and creativity. Characteristics of this culture include, insight, innovation, adaptation, external support, resource acquisition, and growth. This culture uses the open systems model to process information. The preference is for short timelines and low certainty, and the need for variation, risk, excitement, and growth. Those in this mode tend to have an idealistic orientation. Decisions are made very quickly, but information is gathered and processes continuously. Adjustments are made if necessary; hence the need for flexibility and spontaneity. The leader is an entrepreneur, innovator and risk taker. The employees bond through the entrepreneurship, flexibility and risk. The strategic emphasis is toward innovation, growth and new resources.

Market

The market culture is centralized, formal, has an external focus, and utilizes as it’s means planning and goal setting to accomplish the ends: productivity and efficiency. This reflects the external orientation and value for formal governance systems. The organization is seen as a rational economic tool. The major emphasis is on profit, the bottom line, competitiveness and goal achievement. There is an underlying theory of rational action. Characteristics of this culture include an emphasis on productivity, accomplishment, profit, goal clarification direction and decisiveness. This culture approaches information processing using the rational goal approach. This approach
illustrates a preference for short time lines, high certainty, a need for independence and achievement. Those in this mode tend to have a purposeful orientation and rely heavily on a priori logic. Decisions are made rapidly, and once made, the decision is final. The style of the leader is decisive and achievement oriented. The employees bond through their goal orientation, production and competition. The strategic emphasis is toward competitive advantage and market superiority.

The Hierarchy

This is probably the oldest form of organization. It is formal, centralized, internally focused and utilizes information management and communication as its means to achieve the ends of stability and control. The strength of this model is that it provides stability and predictability. People have well defined roles and are expected to follow rules and policies that outline what they should do and procedures. The hierarchy uses the internal process approach to information processing. The preference is for long time lines and high certainty and the need for predictability and security. When making decisions, a long time is taken to gather and analyze facts in order to achieve the single best solution. The perspective is oriented toward security, order, and routinization. The major focus is on the internal processes. The leader style is that of coordinator and administrator. The employees bond through the rules, policies and procedures. The strategic emphasis is toward stability, predictability, and smooth operations.

Relationship Marketing And Marketing Practices

Definition

In the literature, relationship marketing has many uses, interpretations and perspectives that its definition is vague. This is probably due to the complex relationships
that the term is attempting to describe. However, a precise definition of relational
marketing is not clear in the literature and the term relationship marketing is the term
used to capture several differing themes or perspectives (Nevin, 1995). For example, in
some streams of literature this term focuses on the relationship(s) of the business with
their customer(s). The emphasis of the relationship is on retention (Parvatiyar and Sheth
1994; Sheth 1995). However, the relationship with suppliers, partners, and other non-
business entities are not considered. Another view of relationship marketing focuses on
use of technology to acquire, maintain and manage customers (Copulsky and Wolf 1990;
Peppers and Rogers 1995). In other words, it can be considered an elaborate form of
database marketing.

Another perspective considers the relationship more in terms of a cooperative
between the buyer and the seller. The role of the buyer is more involved and is more
characteristic of a partner due to their involvement in the development and design of the
products and services that are offered by the seller. The relationship in this buyer seller
dyad is based on the relational characteristics of promises, trust and personal interactions
(Magrath and Hardy 1994; Anderson and Narus 1990; Groonroos 1990; Ford 1984). The
final perspective is an all-inclusive strategic view of relationship marketing which
includes databases, loyalty programs, customized services, personalized relationships,
strategic alliances, etc (Kotler 1992; Morgan and Hunt 1994). This is not the only area
in the realm of relationship marketing that has several interpretations. Lets first examine
Interaction or Interactive Marketing. This term has been used to describe both the use of
media to communicate and interact with customers, and the ongoing interpersonal contact
of the buyer/seller dyad (Blattberg and Deighton 1991; Fuhrman 1991; Hakansson 1982).
Another term with multiple meanings is network marketing. Johnston and Lawrence (1988) uses the term to describe vertical integration, while Gummesson (1994) defined it as “the creation, utilization and maintenance of network (of relationships between firms)”. The aforementioned terms are often used interchangeably, which only adds to the confusion. In the literature, relationship marketing and the interaction approach are used interchangeably and network marketing is not clearly distinguished from relationship or interaction marketing (Gummesson 1994).

Contemporary Marketing Practices

In the marketing literature transaction cost analysis and relationship marketing are in two separate paradigms. According to MacNeil (1981; 1989), the determining factors of relationalism in any exchange are social norms such as solidarity, mutuality, flexibility and bilateral power. The focus is not simply on the exchange, but on the process involved in maintaining the relationship. He also states that exchanges are relational in nature and the governance structures range on a continuum from discrete transactions to highly relational exchanges. This is in contrast to the transaction cost perspective of Williamson (1975, 1988 and 1991), which examines how organizations are governed in order to protect their self interest by engaging in discrete transactions and through vertical integration.

Relationship marketing is of particular interest because companies are placing value on establishing longer business relationships. Since borders are being eliminated, companies realize that in addition to building partnerships, the managing of a network of relationships should be a key part of their strategic plan. There has been considerable discussion amongst academics and managers as to whether or not the transactional model
of marketing is still relevant.

There are three perspectives on the issue of relationship marketing. The first approach adds a relationship dimension to the traditional marketing management approach. Pels (1999) referred to as the ‘marketing mix-plus’ perspective. The next perspective suggests moving away from transactional marketing to a new relational marketing paradigm (Kotler 1992; Webster 1992; Gummesson 1994). Both academics and managers have had considerable discussion as to whether or not the transactional approach is still relevant. The final view is that transactions and relational exchanges exist at opposite ends of a continuum (Gronroos 1991).

The Contemporary Marketing Practices (CMP) group proposes a new paradigm. The group recognizes the limitations of the three above perspective because of their failure to recognize that the contemporary business environment allows for more than one approach. The CMP group stresses the importance of the role of environmental factors, the buyer and seller’s perception of it, and the impact of the environmental factor on the exchange. The focus of their studies is on the different ways marketing is practiced in the contemporary environment. Their main argument is that both transactional and relational marketing can be practiced together.

This challenged the traditional view of the transaction approach. Instead of viewing the transaction approach as a discreet and separate approach to relationship marketing, they view it concurrent and on a continuum with relationship marketing. Brodie, Coviello, Brookes and Little (1997) and Coviello and Brodie (1998) go on to propose that relationship marketing has three dimensions: database marketing, interaction marketing and network marketing.
In their 1997 work, Coviello, Brodie and Munro developed a classification scheme that organizes the various views. This classification scheme was derived from their research that focused on relational exchange and management issues. In their analysis, they identified two general perspectives: transactional exchange and relational exchange. Encompassed within the two perspectives are four distinct types of marketing: transaction marketing, database marketing, interaction marketing and network marketing (p. 509).

**Transaction Marketing.** Transaction marketing can be described as having an economic transaction focus. It is categorized as a transactional exchange. The parties involved are the firm and the buyers in the general market. The pattern of communication is firm “to” market. The best way to describe the contact is arms-length and impersonal. The relationship is discrete in terms of duration and formal. An active seller and passive buyers describes the balance of power. Transaction Marketing involves a firm attracting and satisfying potential buyers by managing the elements in the marketing mix. This approach involves creating discrete economic transactions that are generally treated in isolation, at arms-length, and in the context of a formal, impersonal process. Following from this, buyers in the market are passive in the communication relationship. The seller actively manages the exchange, and manager’s communication “to” buyers in the mass market. At a managerial level, managers focus on marketing a product/brand to an identified group of customers. Marketing activities are usually relegated to customers. Marketing activities are usually relegated to functional marketing areas, and manager’s focus on developing internal capabilities related to the marketing mix. Co-ordination with other functions in the firm is limited, and the planning horizon
for this type of marketing is generally short-term.

Database Marketing. The next element is database marketing. The focus here is on information and economic transaction. A firm and buyers in a specific target market are the parties involved. The communication pattern is firm “to” individual. The contact is personalized yet distant. The duration is both discrete and over time. Although the relationship is formal, it is personalized via the use of technology. The balance of power can be described as an active seller and passive buyers. Database Marketing involves businesses using a variety of information management tools or techniques to develop and manage longer-term exchanges between the company and its targeted customers. In this type of marketing, the focus is still on the market transaction, but now involves both economic and informational exchange. A marketing specialist relies on information technology to form a type of relationship, thus allowing firms to compete in a manner different from mass marketing. More specifically, the intent is to retain identified customers over time. Communication patterns are generally driven and managed by the seller. Marketing is still “to” the customer rather than “with” the customer. Exchanges are not close, and are both facilitated and personalized with technology. They do not generally involve on-going interpersonal communication and interaction between individuals. The exchange is discrete, although they endure over time. Managerial investment for Database Marketing is in the tool or technique, and supporting technology and information. In this type of marketing, the managerial focus widens to include both the product/brand and specifically targeted customers.

Database Marketing has proven to be an interesting practice. Although initially considered a part of relational exchanges, Coviello, Brodie and Munro (1997; 2000) have
this marketing practice falling within the transactional exchange paradigm. As an example, the “communication pattern’ dimension shows that communication shifts from firms “to” markets/individuals in Transaction and Database Marketing to individuals/firms “with” individuals/firms in Interaction and Network Marketing. Similarly, the “duration” of exchange for both Database and Transaction marketing is essentially discrete, and “managerial investment” is in the form of internal marketing assets. As such, although the literature has tended to treat Database marketing as a relationship building tool, this approach to marketing seems to fit more appropriately within the conceptual realm of transactional exchange rather than relational exchange. This classification of marketing practice allows for an array of approaches to the market. At times the approach in the buyer/seller exchange is more transactional and other times more relational. It is important that there is a match in the exchange situation.

Interaction

In interaction marketing, there is an interactive relationship between a buyer and seller. The individual buyers and sellers form a dyadic relationship. The communication pattern can be described as individuals with individuals across organizations. The duration of the relationship is continuous, ongoing and mutually adaptive. This duration may be short or long term. There are both formal and informal exchanges at both a business and social level. The balance of power between the buyer and the seller can be described as mutually active and adaptive. Another way to describe it is as interdependent and reciprocal. While Database Marketing involves a certain type of relationship that is distant and personalized, Interaction Marketing implies face to face interaction within relationships. Marketing occurs at the individual level based on social
processes and personal interactions. Relationships are established between individuals, and can occur in both a formal and informal manner, with the parties being mutually active and adaptive. Interaction Marketing is truly “with” the customer in both a formal and informal manner. Both parties are mutually active and adaptive. Interaction Marketing is truly “with” the customer since both parties in the dyad invest resources to develop a mutually beneficial and interpersonal relationship. Interaction Marketing is not the responsibility of only the marketer, nor are those that engage in Interaction Marketing necessarily in the position of seller. Rather, this approach can involve a number of individuals across functions and levels in the firm, and may encompass both buying and selling activities.

**Network Marketing**

Network marketing can be described as the connected relationships between firms. There are multiple parties involved. These include the seller, buyers and other firms that have an impact (directly, or indirectly) on the relationship. Firms communicate with firms involving individuals. The contact can range from impersonal to interpersonal and distant to close. The relationship is continuous and can be described as stable yet dynamic. This relationship can also be short or long term. Network marketing can be formal and informal at both a business and social level. In terms of the balance of power, all firms are active and adaptive. Finally, the framework describes Network Marketing as occurring across organizations, where firms commit resources to develop a position in a network of relationships. This is generally accomplished through business and social transactions overtime resulting from the development and maintenance of individual, interaction-based relationships. Therefore, Network Marketing encompasses
relationships at both the individual and firm level. Because the relationships are part of a larger network, there is much variety. They can range from interpersonal to impersonal, have varying levels of power and dependence, as well as degrees of communication.

This approach may be conducted at a general management level by members of other functional areas in the organization performing marketing duties, or from outside the organization. Relationships may be with customers, distributors, suppliers, competitors, and so on.
CHAPTER 3
METHODOLOGY

A framework for a strategy fit with cultural dimensions holds three main implications for multinational business managers. First, culture is a critical variable in the strategy process and it should be explicitly examined as a part of the process. Thus, cultural fit framework is proposed as one possible means. Specifically, the greater the power distance, collectivist, and uncertainty avoidance scores, the greater the preference for centralized, hierarchical organizations and large production facilities which appear to support firms pursuing cost leadership strategies. Adding relatively high long term orientation to the mix suggests a cultural preference for continuing, stable, harmonious relations, within hierarchical organizations. Cultures with high collectivist scores depend to a great extent on connections to establish and maintain business relations; and cultural challenges need to be anticipated in each step of the strategy process.

Second, it is proposed that culture will determine and support organizationally a particular business level strategy, which affects marketing and management practices of the firm. Cultural dimensions affect all organizations, managers and coworkers. High individualist scores (along with high masculinity scores) tend to result in highly competitive organizational climates, climates which are not necessarily prized in other cultures. Blending differing biases into functional collaborative arrangements calls for great cultural awareness and sensitivity. The framework requires an explicit assessment of cultural dimensions on the part of firms in the attempt to encourage such awareness.
Culture provides a hidden context for strategy making. A knowledge of national (and regional) cultural dimensions provides a necessary starting point for understanding co-workers, partners, and competitors.

**Hypotheses**

There are three of Hofstede’s cultural dimensions that are theoretically linked to relationship development: uncertainty avoidance, power distance, and individualism (Griffith, Hu, Ryans 2000). Uncertainty avoidance is also related to how comfortable the culture is with ambiguity and risk. Hence, there may be a positive relationship between low uncertainty avoidance and the potential for innovation (Hofstede, 1993). In organizations, power distance influences the amount of formal hierarchy, the degree of centralization, and the amount of participation in decision making. Researchers have reported a positive relationship between uncertainty avoidance and the proportion of managers that agree with the statement, “It is important for a manager to have at hand precise answers to most of the questions that his subordinates may raise about their work.” (Laurent 1986) He also found that managers from the high uncertainty avoidance countries of Latin America are more likely to see the organization as an authority structure than others (Laurent 1983).

Companies in high power distance countries, such as those in East Asia and Latin America, tend to be more centralized and have less employee participation in decision making. Denison and Mishra (1995) found among firms in the U.S. (which has low power distance) that “involvement” was one of four cultural dimensions that separated organizations and that those organizations with more employee involvement were more efficient and faster growing than others. Similar results are found in other large scale
studies of management practices and financial performance among U.S. Firms (Hansen and Wernerfelt 1989; Denison 1990) Schneider and DeMeyer (1991) found Latin American managers, compared to those from lower uncertainty avoidance countries, tended to respond more forcefully and extremely to environmental uncertainty and threat, and were more likely to respond to such threats with major organization redesigns and large-scale training programs. Uncertainty was perceived as a crisis more among these managers than others, their responses were more extreme, and their proposed solutions tended to involve a structuring that would reduce uncertainty. While French employees prefer the certainty of rules, Americans prefer the discretion that goes with ambiguity.

The effectiveness of employee participation in high power distance cultures is doubtful. Employees in high power distance cultures are likely to view participative management with fear, distrust and disrespect because participation is not consistent with the national culture. Managers who encourage participation in these countries are likely to be seen as weak and incompetent. Morris and Pavett (1992), for example, found participative management to be related positively to performance in the U.S. but not in Mexico. More authoritarian management practices were effective in Mexico, but not in the U.S. Jaeger (1986) argues that management initiatives such as team building are not effective in high power distance cultures because employees from different levels in the organization are not comfortable interacting face to face in a group.

Outcomes

The new wave of management literature emphasizes the need for organizations to become more open, innovative, and flexible, and less bureaucratic (Kanter, Stein, and Jick 1992). Hierarchical structures, specialization, job standardization, and control-
oriented managerial practices, which dominated the mass-production phase of industrial
development, are considered to be ineffective for organizational survival in the
competitive global marketing. In addition to emphasizing customer service and quality,
contemporary management gurus extol the virtues of participative management,
employee empowerment, flexibility, teamwork, and consensual decision making,
implying that organizations adopting these strategies are better equipped to respond to
rapidly changing organizational environments (Boyett and Conn, 1991; Kanter et al.
1992; Peters, 1987). At the same time, research on the link between cultural values and
managerial approaches suggests that management practices must be flexible, adaptable,
and less ethnocentric (Punnett, 1989). Research has shown that the combination of low
power distance and low uncertainty avoidance is associated with more flexible, organic
structures (less centralization of authority, low formalization, less specialization) and a
tendency to resolve problems on an ad hoc basis (Hofstede, 1983).

H1a: In countries with low power distance and low uncertainty avoidance
scores, divisions will have more flexible, organic structures than divisions
in countries with a high power distance and high uncertainty avoidance
scores.

H1b: In countries with high power distance and high uncertainty avoidance
scores, divisions will have more mechanistic structures than divisions in
countries with low power distance and low uncertainty avoidance scores.

In an examination of the individualism/collectivism dimension, entrepreneurial
attitudes were found to increase as individualism increased in the U.S. However, the
opposite was found in Portugal, a more collective society. Individual training led to
improved self efficacy and higher performance for U.S. managers while group based training led to improved self efficacy and higher performance for Chinese managers (Newman and Nollen, 1996). In organizations, individualism is manifested as autonomy, individual responsibility for results, and individual level rewards. At the organizational level, the focus is on constant improvement in the competitive environment. Collective management practices emphasize work unit solidarity and team based rewards. However, at the organizational level the focus is on the maintenance of the organizations’ social, and technical systems.

**H2a:** In countries with high individualism scores, divisions will be more externally focused than divisions in countries with low individualism scores.

**H2b:** In countries with high collectivism scores, divisions will be more internally focused than divisions in countries with low collectivism scores.

Brodie, Coviello, Brookes and Little (1997) first examined the contemporary marketing practices, which include: transaction, database, interaction, and network. Brodie, et. al (1997) established a strong positive relationship between transaction marketing and database marketing. Due to the economic transaction focus of hierarchies and formality, they will predominantly practice transaction marketing. Although, the strong, positive relationship between transaction and database marketing has been established (Brodie et. al 1997), we can also establish the use of this practice due to its economic focus, discrete duration and formality. Therefore, hierarchies will practice database marketing. Since transactional marketing practices are most associated with mechanistic structures we derive the following hypothesis.
H₃a: Divisions with mechanistic structures are more likely to practice transaction marketing and database marketing than divisions with organic structures.

Organic structures are most associated with adaptability. Referring once again to the relationships that Brodie et al. (1997) established we can see the link between organic structures and relationship marketing. We derive our next hypothesis from this link.

H₃b: Divisions with organic structures are more likely to practice interaction marketing and network marketing than divisions with mechanistic structures.

The key to database marketing success is in managing external and technical factor (Seiler 2000). Organizations that are most concerned with outside factors have external focus. In addition, theses divisions utilize databases as a means of maintaining competitive and innovative advantage in dealing with their customers and suppliers. They are very aware of their position in the network of business-to-business relationships. This leads to our next hypothesis.

H₄: Divisions with an external focus are more likely to practice database marketing and network marketing than divisions with an internal focus.

As described earlier, network marketing is the connected relationships between firms (Brodie, et.al; 1997) The parties involved include the seller, buyers and other firms that have both a direct and indirect impact. Therefore, in essence, all firms are involved in network marketing at some level. Figure 3 is a graphical illustration of hypotheses one to four.
There is an overall guide for performing successful cross-cultural research. First, the researcher must develop solid theoretical constructs, followed by sampling, instrumentation, data collection and data analysis. There are at least two approaches to comparing organizations. The first approach suggests looking for the relationship between dependent and independent variables within each single nation and then comparing this relationship between countries. The other approach focuses on the organization as the level of analysis (dependent variable) and compare it to theory based societal variables (independent variables). This research adopts the first approach by
examining the relationship between the constructs within the context of the two nations.

The two issues in conducting cross-cultural research of particular interest in this study deals with translation and validation (Green and White 1975).

Translation

Cross-cultural translation encompasses four basic types pragmatic, linguistic, aesthetic-poetic and ethnographic (Brislin 1980). This study is concerned with translations of the last category, since the objective is to explicate the cultural context of the source and target language versions. This, however, may be the most difficult to accomplish among the four different types of translations since the translator must take information, grammar, aesthetic content and cultural considerations into account while striving for equivalence in the translated version of the instrument. In the realm of international business, there are a plethora of examples of errors in translation. Translation errors cause a great number of blunders in international business and cause serious problems when conducting research. Carelessness, multiple-meaning words, and idioms are the three basic sources of translation error.

Carelessness is the most common error. It is simply carelessness when translating into another language. Carelessness can lead to many problems in understanding, thus leading to validity issues. Another problem when it comes to translations are words with multiple meanings. These are words in our language as well as others that have multiple meanings. This is particularly troublesome when the same word is interpreted differently depending on your country of origin; despite the fact the language is the same. Ensuring that the proper meaning is used can be a daunting task. Idioms are our final problematic area in translation. This is often the most difficult area because of the unique aspects of
idioms that are found in every language. An is a “phrase established by usage whose meaning is not literally based on the words used” (Oxford Desk Dictionary, p. 278). There are phrases like this in all languages that are tricky to translate if they can be translated at all. The exact wording should not be literally translated. Caution is necessary in order to ensure that the intended respondents properly interpret the message.

The measures were then validated. Validating measures in a cross-cultural setting has been traditionally addressed in two ways. The development of individual emic (culturally specific) measures for each culture or the creation of etic (culturally universal) measures of multiple cultures. Etic instruments (properly translated) can be administered in identical form in a number of nations. In the case of this research, all the respondents were given a translated version of the same questionnaire.

Hofstede (1980) suggested using bi- or multilingual translators, preferably so that translators translate into their preferred language, as it takes greater linguistic familiarity to be able to articulate nuances to others than to merely be cognizant of them. The errors that I make translating from French to English are far fewer than the ones when I translate from English to French.

Translating the English instrument into French was organized by Dr. Kofi Dadzie as part of a USIA grant to foster collaborative faculty relationships between Georgia State University and the Universite de Cocody in Abidjan, Cote d’Ivoire. The original instrument, developed by Coviello, Brodie, Danaher and Johnston (2002), was modified to include organizational culture measures taken from Deshpande, Farley and Webster (1993). It was pretested in Cote d’Ivoire with the help of local collaborating faculty at the Universite of Cocody. The pretested instrument was then back translated into English.
for comparison with the original US instruments. The final instrument was translated by
two Ivorian faculty members and translated into English for further verification for
construct validity. The results of the pretest of both the English and French surveys
suggest that the questionnaire was understandable, interpreted appropriately, and
captured the aspects of marketing practice defined by the conceptual framework. The
basis for the measures is based on a theoretical framework derived from an adequate
literature review. Therefore construct validity has been established.

**Issues in Measurement**

**Organizational Culture**

There are several views on the general dimensions of organizational culture. The
reason for this stems from the anthropological roots of culture studies, which have a
preference for idiographic or emic methodologies to nomothetic or etic ones (Denison
1995). The research in the idiographic paradigm use detailed observation and analysis to
capture the unique logic and form of each organizational culture. These researchers
believe that by using nomothetic methods, which use ordinal dimensions universally to
all cultures, overlook important cultural features. However, several measures of culture,
consisting of both the organization values aspect, and preferred behavioral norms that are
based in theory (O’Reilly, Chatman, and Caldwell, 1991; Denison, 1995).

**Measurement Instrument**

The questionnaire included a section used to classify the organization and a
section that profiled marketing practices. The instrument for this research came from the
established organizational culture scales (Deshpande, Farley, and Webster 1993) and the
marketing practices scale will come from the work of Coviello et.al. In 1997, the authors developed an instrument to study contemporary marketing practices (transactional, database, interaction and networking). In 1998, Coviello conducted cross-national research of these marketing practices in five countries: New Zealand, Canada, Sweden, Finland and Ireland. However, this same instrument has not yet been used for studying US firms. The study by Coviello originated in New Zealand therefore, language in the instrument was adapted for US markets. Slight modifications were necessary. For example in the directions “Please tick all those applicable) was changed to “Please check all those applicable.” Both the English and French versions of the completed survey are included in Appendix G and Appendix H respectively.

**Measurement Equivalence.** Measurement Equivalence is a key issue when conducting cross-cultural research. There are some fundamental environmental differences between markets in developing countries and industrialized countries. Developing countries can often be characterized as a seller’s market and industrialized countries a buyer’s market. This fundamental difference may cause respondents from developing countries to respond differently to those from developing countries. Respondents from developing countries are less likely to be familiar with marketing measures because of the amount of marketing concepts practiced (Dadzie, Johnston, Yoo and Brashear, 2002).

Another reason respondents from developing countries may be less familiar with marketing practices may be due to the high level of control that the government has over the marketing decisions in these countries. This differs from businesses in industrialized countries in which marketers are free to make decisions based on market conditions.
Therefore, many marketing practices and concepts may not be as useful to particular businesses in developing countries because the fundamental marketing decisions as relates to the marketing mix are under the control of the government (Akaah et al., 1988). As a result of these differences in interpretation, there is the potential for problems in meaning and interpretation. (Aulakh and Kotabi, 1993; Bhalla and Lin, 1987). In other words, although the instrument may be the same, due to the differences in interpretation, the measure may not be valid. This is termed construct equivalence. More specifically can defined as the “cross national differences in the meaning of concepts under investigation that can confound the interpretation (Dadzie, Johnston, Yoo and Brashear 2002). Construct equivalence can be enhanced in three ways. The first way is to ensure that respondents from different countries understand the constructs being investigated. The next way is to be sure that the instrument be equivalent even if the instruments are not in the same language. The third way is to in terms with measurement. The scales must measure the construct in a similar way and be scored similarly (Bhalla and Lin, 1987).

**Contemporary Marketing Practice Scale.** The development of the model began with the pool of measurement items reflecting the ten dimensions operationalized by Coviello, Brodie and Munro(2000). These components include: Managerial Intent, Managerial Focus, Purpose of Exchange, Type of Contact, Duration of Exchange, Managerial Investment, Managerial Level, Nature of Communication, Formality of Exchange, and Overall Approach. Questions were developed using a five-point Likert-type scale (the 6th point is for items not applicable [N/A]). On the survey instrument, each of the ten dimensions consisted of a set of variables designed to capture each of the
four aspects of contemporary marketing practice: transaction, database, interaction and network marketing. (Appendix C)

Organization Culture Scale. Organizational culture was also measured with a five point Likert scale. The source of this scale is Deshpande, Farley, and Webster, 1993(Appendix B).

Sample and Procedure

A self-administered questionnaire was developed to collect quantitative data pertaining to the various aspects of marketing practice, organizational culture and both respondent and organizational demographics. As defined by their position/role, nature of customer contact, and decision-making responsibilities, the respondents were involved with marketing activities within their organization.

Professor Kofi Dadzie as part of a collaborative program collected the data set from Cote d’Ivoire between Georgia State University and Universite de Cocody in Abidjan, Cote d’Ivoire. This initiative was funded by a United States Information Agency grant to Professor Dadzie. In addition, Cote d’Ivoire provided a good context to test the convergence theory because it is the polar opposite of the US on the Hofstede dimensions most associated with relationalism: individualism/collectivism, power distance and uncertainty avoidance. One hundred and twenty five managers in Cote d’Ivoire were selected from a list of the local Chamber of Commerce. Each respondent received a copy of the questionnaire two weeks before being interviewed by trained interviewers. In addition, they were instructed to discuss the questionnaire with members of their division. Of the 125 respondents, there were 100 usable surveys. The respondents came from organizations that marketed a variety of goods and services. This
includes consumer packaged goods (17%), consumer durable goods (13%), industrial goods (6%), consumer services (14%), business-to-business services (9%), Not for profit (7%) and others. The firms ranged in size from three employees to 95000 employees. In addition, the majority of the firms are domestic/foreign jointly owned (51%), followed by totally domestically owned (34%) and totally foreign owned (15%).

The data for the United States were collected as a continuing effort of the Contemporary Marketing Practices (CMP) group to examine a new way of looking at relationship marketing. One hundred and forty three usable surveys were obtained. These organizations market consumer goods (7%), consumer durable goods (7%), industrial goods (14%), consumer services (28%), business to business services (28%), not for profit (13%) and other. There was a range in sizes of the organizations chosen from 20 to over 250,000 employees. All of the organizations were either totally domestically owned or they were part of a joint venture.

**Summation of Hypotheses**

H1a: In countries with low power distance and low uncertainty avoidance scores, divisions will have more flexible, organic structures than divisions in countries with a high power distance and high uncertainty avoidance scores.

H1b: In countries with high power distance and high uncertainty avoidance scores, divisions will have more mechanistic structures than divisions in countries with low power distance and low uncertainty avoidance scores.
H2a: In countries with high individualism scores, divisions will be more externally focused than divisions in countries with low individualism scores.

H2b: In countries with high collectivism scores, divisions will be more internally focused than divisions in countries with low scores collectivism.

H3a: Divisions with mechanistic structures are more likely to practice transaction marketing and database marketing than divisions with organic structures.

H3b: Divisions with organic structures are more likely to practice interaction marketing and network marketing than divisions with mechanistic structures.

H4a: Divisions with an external focus are more likely to practice database marketing and network marketing than divisions with an internal focus.
CHAPTER FOUR

RESULTS

The following are the results of the scale reliabilities of the pooled data from the United States and Côte d’Ivoire.

TABLE 1
Construct Scale Reliabilities: Pooled Data

<table>
<thead>
<tr>
<th>Organizational Cultural Dimensions</th>
<th>Number of Items</th>
<th>Reliability (α)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mechanistic</td>
<td>8</td>
<td>0.802</td>
<td>225</td>
</tr>
<tr>
<td>Organic</td>
<td>8</td>
<td>0.728</td>
<td>227</td>
</tr>
<tr>
<td>Clan</td>
<td>4</td>
<td>0.647</td>
<td>231</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>4</td>
<td>0.615</td>
<td>231</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>4</td>
<td>0.821</td>
<td>229</td>
</tr>
<tr>
<td>Market</td>
<td>4</td>
<td>0.693</td>
<td>231</td>
</tr>
<tr>
<td>Transaction Marketing</td>
<td>10</td>
<td>0.733</td>
<td>226</td>
</tr>
<tr>
<td>Database Marketing</td>
<td>10</td>
<td>0.613</td>
<td>220</td>
</tr>
<tr>
<td>Interaction Marketing</td>
<td>10</td>
<td>0.796</td>
<td>220</td>
</tr>
<tr>
<td>Network Marketing</td>
<td>10</td>
<td>0.798</td>
<td>226</td>
</tr>
</tbody>
</table>

The table indicates that the scales were reasonably reliable. “A commonly used threshold is .70, although this is not an absolute standard, and values below .70 have been deemed acceptable. . .” (Hair, Anderson, Tatham and Black, 1995, p. 641) The organizational scale is more reliable when the organizational cultures were divided according to the cultural dimensions of mechanistic vs. organic as compared with the four organizational types. This scale was adapted from Deshpande, Farley and Webster (1993) with one modification: the original scale was a constant sum scale and the scale used for this research project was a Likert scale. The constant sum scale required the respondent to allocate 100 points among the four descriptions of the organizational culture types. The allocation is to be done in a manner that reflects the relative preference or importance
assigned each organizational culture. Constant sum scale works best with respondents who have high educational levels (Burns and Bush 2001). Likert scale measures attitudes. This scale allows the respondent to rate how strongly they agree or disagree with carefully constructed statements. By doing this, the respondent was not forced to weigh the importance of one organizational culture characteristic over the other, but was allowed to judge their organization based on each particular characteristic. This may explain why the organizations did not split cleanly into the four types. Hence, as the next step, the scales were examined separately. (Table 2 and Table 3)

TABLE 2
Construct Reliabilities (U.S. Respondents)

<table>
<thead>
<tr>
<th>Organizational Cultural Dimensions</th>
<th>Number of Items</th>
<th>Reliability</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mechanistic</td>
<td>8</td>
<td>0.710</td>
<td>134</td>
</tr>
<tr>
<td>Organic</td>
<td>8</td>
<td>0.802</td>
<td>136</td>
</tr>
<tr>
<td>Clan</td>
<td>4</td>
<td>0.655</td>
<td>137</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>4</td>
<td>0.570</td>
<td>136</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>4</td>
<td>0.798</td>
<td>137</td>
</tr>
<tr>
<td>Market</td>
<td>4</td>
<td>0.700</td>
<td>137</td>
</tr>
</tbody>
</table>

Contemporary Marketing Practices

| Transaction Marketing              | 10             | 0.487       | 138|
| Database Marketing                 | 10             | 0.579       | 134|
| Interaction Marketing              | 10             | 0.799       | 137|
| Network Marketing                  | 10             | 0.811       | 137|
### TABLE 3
Construct Reliabilities (Côte d’Ivoire Respondents)

<table>
<thead>
<tr>
<th>Organizational Cultural Dimensions</th>
<th>Number of Items</th>
<th>Reliability</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mechanistic</td>
<td>8</td>
<td>0.801</td>
<td>95</td>
</tr>
<tr>
<td>Organic</td>
<td>8</td>
<td>0.772</td>
<td>93</td>
</tr>
<tr>
<td>Clan</td>
<td>4</td>
<td>0.611</td>
<td>96</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>4</td>
<td>0.668</td>
<td>96</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>4</td>
<td>0.859</td>
<td>94</td>
</tr>
<tr>
<td>Market</td>
<td>4</td>
<td>0.730</td>
<td>95</td>
</tr>
</tbody>
</table>

Contemporary Marketing Practices

<table>
<thead>
<tr>
<th></th>
<th>Number of Items</th>
<th>Reliability</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transaction Marketing</td>
<td>10</td>
<td>0.838</td>
<td>92</td>
</tr>
<tr>
<td>Database Marketing</td>
<td>10</td>
<td>0.678</td>
<td>92</td>
</tr>
<tr>
<td>Interaction Marketing</td>
<td>10</td>
<td>0.759</td>
<td>89</td>
</tr>
<tr>
<td>Network Marketing</td>
<td>10</td>
<td>0.766</td>
<td>88</td>
</tr>
</tbody>
</table>

It is interesting to note that the reliability in measuring transaction marketing in Côte d’Ivoire is particularly high and the scale does a very good job of measuring adhocracies. As you can see, the instrument used in the Côte d’Ivoire has generally higher reliabilities when measuring organizational culture. One reason for this could be in that more care may have been taken when the Ivorian businesspeople filled out the questionnaire than their American counterparts. U.S. businesspeople are used to participating in marketing research unlike those in developing countries where this type of participation is a new concept. An analogy can be made in the field of advertising. During the early years of television, each advertisement was processed thoroughly because their messages were viewed as important. Now, Americans are so used to advertisements and there are so many stimuli that advertisements often act as background noise. Analysis of Hypotheses

In order to test the hypotheses, an independent sample t-test was performed (Table 4).
This is appropriate for comparing groups for significant differences.

**TABLE 4**

T-Test Results: Testing for Significance between US and Ivorian Organizational Cultures and Contemporary Marketing Practices

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
<td>t</td>
</tr>
<tr>
<td>CLAN</td>
<td>Equal variances assumed</td>
<td>.092</td>
<td>.761</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>1.392</td>
<td>226.492</td>
</tr>
<tr>
<td>HIERAR</td>
<td>Equal variances assumed</td>
<td>3.746</td>
<td>.054</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>2.703</td>
<td>233.147</td>
</tr>
<tr>
<td>ADHOC</td>
<td>Equal variances assumed</td>
<td>.025</td>
<td>.875</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>1.866</td>
<td>216.948</td>
</tr>
<tr>
<td>MARKET</td>
<td>Equal variances assumed</td>
<td>1.947</td>
<td>.164</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>-3.705</td>
<td>229.244</td>
</tr>
<tr>
<td>TM</td>
<td>Equal variances assumed</td>
<td>10.268</td>
<td>.002</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>-5.181</td>
<td>171.831</td>
</tr>
<tr>
<td>DM</td>
<td>Equal variances assumed</td>
<td>1.439</td>
<td>.232</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>-.859</td>
<td>201.937</td>
</tr>
<tr>
<td>IM</td>
<td>Equal variances assumed</td>
<td>.699</td>
<td>.404</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>-5.450</td>
<td>225.537</td>
</tr>
<tr>
<td>NM</td>
<td>Equal variances assumed</td>
<td>.160</td>
<td>.690</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>-5.166</td>
<td>225.873</td>
</tr>
</tbody>
</table>
TABLE 5
T-Test Results: Comparing US and Ivorian Organizational Cultures and Contemporary Marketing Practices

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLAN</td>
<td>1</td>
<td>101</td>
<td>3.402</td>
<td>.748</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>140</td>
<td>3.260</td>
<td>.822</td>
</tr>
<tr>
<td>HIERAR</td>
<td>1</td>
<td>101</td>
<td>3.523</td>
<td>.617</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>140</td>
<td>3.288</td>
<td>.732</td>
</tr>
<tr>
<td>ADHOC</td>
<td>1</td>
<td>101</td>
<td>3.347</td>
<td>.932</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>140</td>
<td>3.118</td>
<td>.942</td>
</tr>
<tr>
<td>MARKET</td>
<td>1</td>
<td>101</td>
<td>2.973</td>
<td>.720</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>140</td>
<td>3.341</td>
<td>.815</td>
</tr>
<tr>
<td>TM</td>
<td>1</td>
<td>102</td>
<td>3.522</td>
<td>.829</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>143</td>
<td>3.524</td>
<td>.593</td>
</tr>
<tr>
<td>DM</td>
<td>1</td>
<td>101</td>
<td>3.471</td>
<td>.632</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>143</td>
<td>3.523</td>
<td>.573</td>
</tr>
<tr>
<td>IM</td>
<td>1</td>
<td>102</td>
<td>3.380</td>
<td>.670</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>143</td>
<td>3.866</td>
<td>.713</td>
</tr>
<tr>
<td>NM</td>
<td>1</td>
<td>102</td>
<td>2.901</td>
<td>.814</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>142</td>
<td>3.463</td>
<td>.871</td>
</tr>
</tbody>
</table>

When examining the t-test for equality of means, we find significant differences between these two countries at the .05 level. These differences are found in the hierarchy and market cultures and in terms of interaction and network marketing. In other words, we do not find significant differences in the organic cultures but we do find them in the mechanistic cultures. Therefore, \( H_{1a} \) is not supported. Similarly, \( H_{1b} \) also cannot be supported because when examining the means, we see that hierarchies are more prevalent in Côte d’Ivoire (country 1) and markets are more prevalent in the United States (country 2). As mentioned before, the difference in markets is significant and practiced more in the US than in Côte d’Ivoire. In Côte d’Ivoire, more divisions have the characteristics of adhocracies, which are externally focused. Therefore, we cannot support \( H_{2a} \). Although it is correctly assessed that the divisions in Côte d’Ivoire are more the internally focused
than those in the U.S., these differences are not significant. Hence, H2b cannot be supported. It is important to note that the relationship marketing components of interaction marketing and network marketing are significantly different in the two countries and are more prevalent in the US.

Although the t-test gives us some indication of the characteristics of the divisions in the two countries, we do not have the indication of the relationships. In order to test the relationship between the organization’s structure and the contemporary marketing practice regression analysis was used. We examined how each organizational type in each country used the four contemporary marketing practices. We first looked at the Ivorian data. (Tables 6-10)

**TABLE 6**

**Regression Results: Contemporary Marketing Practices Used by Hierarchies in Cote d’Ivoire**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.583</td>
<td>.345</td>
<td>4.590</td>
</tr>
<tr>
<td>TM</td>
<td>.250</td>
<td>.078</td>
<td>.332</td>
<td>3.194</td>
</tr>
<tr>
<td>DM</td>
<td>-.101</td>
<td>.140</td>
<td>-.103</td>
<td>-.718</td>
</tr>
<tr>
<td>IM</td>
<td>.375</td>
<td>.139</td>
<td>.397</td>
<td>2.696</td>
</tr>
<tr>
<td>NM</td>
<td>5.168E-02</td>
<td>.097</td>
<td>.067</td>
<td>.534</td>
</tr>
</tbody>
</table>

a. Dependent Variable: HIERAR

b. Selecting only cases for which COUNTRY = 0
### TABLE 7
Regression Results: Contemporary Marketing Practices Used by Markets in Cote d’Ivoire

Coefficients\(^{a,b}\)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.1036</td>
<td>.402</td>
<td>.396</td>
<td>2.580</td>
</tr>
<tr>
<td></td>
<td>.349</td>
<td>.091</td>
<td>.228</td>
<td>3.819</td>
</tr>
<tr>
<td></td>
<td>3.717E-02</td>
<td>.163</td>
<td>.033</td>
<td>.232</td>
</tr>
<tr>
<td></td>
<td>-4.95E-03</td>
<td>.162</td>
<td>-.004</td>
<td>.232</td>
</tr>
<tr>
<td></td>
<td>.209</td>
<td>.113</td>
<td>.274</td>
<td>1.852</td>
</tr>
</tbody>
</table>

\(a\). Dependent Variable: MARKET  
\(b\). Selecting only cases for which COUNTRY = 0

### TABLE 8
Regression Results: Contemporary Marketing Practices Used by Adhocracies in Cote d’Ivoire

Coefficients\(^{a,b}\)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.526</td>
<td>.534</td>
<td>.279</td>
<td>.984</td>
</tr>
<tr>
<td></td>
<td>.317</td>
<td>.121</td>
<td>.142</td>
<td>2.610</td>
</tr>
<tr>
<td></td>
<td>.210</td>
<td>.217</td>
<td>.197</td>
<td>.967</td>
</tr>
<tr>
<td></td>
<td>.281</td>
<td>.216</td>
<td>.011</td>
<td>1.304</td>
</tr>
<tr>
<td></td>
<td>1.262E-02</td>
<td>.150</td>
<td>.232</td>
<td>1.852</td>
</tr>
</tbody>
</table>

\(a\). Dependent Variable: ADHOC  
\(b\). Selecting only cases for which COUNTRY = 0

### TABLE 9
Regression Results: Contemporary Marketing Practices Used by Clans in Cote d’Ivoire

Coefficients\(^{a,b}\)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>3.521</td>
<td>.472</td>
<td>-.192</td>
<td>7.464</td>
</tr>
<tr>
<td></td>
<td>-.129</td>
<td>.107</td>
<td>-.141</td>
<td>-1.203</td>
</tr>
<tr>
<td></td>
<td>-.240</td>
<td>.191</td>
<td>-.203</td>
<td>-1.254</td>
</tr>
<tr>
<td></td>
<td>.314</td>
<td>.190</td>
<td>.274</td>
<td>1.646</td>
</tr>
<tr>
<td></td>
<td>3.879E-02</td>
<td>.132</td>
<td>.042</td>
<td>.293</td>
</tr>
</tbody>
</table>

\(a\). Dependent Variable: CLAN  
\(b\). Selecting only cases for which COUNTRY = 0
In Cote d’Ivoire, divisions that are more hierarchical significantly practice transaction and interaction marketing. Divisions that have market characteristics significantly practice transaction marketing at the .05 level and network marketing at the .10 level. These results only offer partial support for H3a. The adhocracies only practiced transaction marketing. Therefore, H4 is not supported. While clan divisions practiced interaction marketing at the .10 level. These results do not support H3b. The results of the regression also show us that all except for the clan divisions significantly practices transaction marketing. Another observation is that database marketing is not significantly practiced by any of the divisions in Cote d’Ivoire and if we adhere to the generally accepted .05 level of significance, none of the divisions significantly practiced network marketing. Next, we examined the US data. (Tables 11-15)

**TABLE 10**

Summary of Regression Results for Cote d’Ivoire

<table>
<thead>
<tr>
<th></th>
<th>Transaction</th>
<th>Database</th>
<th>Interaction</th>
<th>Network</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hierarchy</td>
<td>0.05</td>
<td>X</td>
<td>0.05</td>
<td>X</td>
</tr>
<tr>
<td>Market</td>
<td>0.05</td>
<td>X</td>
<td>X</td>
<td>0.10</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>0.05</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Clan</td>
<td>X</td>
<td>X</td>
<td>0.10</td>
<td>X</td>
</tr>
</tbody>
</table>

**TABLE 11**

Regression Results: Contemporary Marketing Practices Used by Markets in The US

<table>
<thead>
<tr>
<th>Coefficientsa,b</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>t</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>2.437</td>
<td>.593</td>
<td></td>
<td>4.108</td>
</tr>
<tr>
<td>TM</td>
<td>-7.58E-02</td>
<td>.154</td>
<td>-.055</td>
<td>-.493</td>
</tr>
<tr>
<td>DM</td>
<td>.386</td>
<td>.176</td>
<td>.270</td>
<td>2.195</td>
</tr>
<tr>
<td>IM</td>
<td>-.119</td>
<td>.143</td>
<td>-.104</td>
<td>-.831</td>
</tr>
<tr>
<td>NM</td>
<td>7.785E-02</td>
<td>.102</td>
<td>.083</td>
<td>.762</td>
</tr>
</tbody>
</table>

a. Dependent Variable: MARKET

b. Selecting only cases for which COUNTRY = 1
### TABLE 12
Regression Results: Contemporary Marketing Practices Used by Hierarchies in The US

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.253</td>
<td>.540</td>
<td>6.029</td>
<td>.000</td>
</tr>
<tr>
<td>TM</td>
<td>-6.63E-02</td>
<td>.140</td>
<td>-.474</td>
<td>.636</td>
</tr>
<tr>
<td>DM</td>
<td>.139</td>
<td>.160</td>
<td>.867</td>
<td>.388</td>
</tr>
<tr>
<td>IM</td>
<td>-.214</td>
<td>.130</td>
<td>-1.648</td>
<td>.102</td>
</tr>
<tr>
<td>NM</td>
<td>.175</td>
<td>.093</td>
<td>.180</td>
<td>.062</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: HIERAR  
*b. Selecting only cases for which COUNTRY = 1*

### TABLE 13
Regression Results: Contemporary Marketing Practices Used by Adhocracies in The US

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.145</td>
<td>.644</td>
<td>3.328</td>
<td>.001</td>
</tr>
<tr>
<td>TM</td>
<td>-.394</td>
<td>.167</td>
<td>-.245</td>
<td>-2.357</td>
</tr>
<tr>
<td>DM</td>
<td>.706</td>
<td>.191</td>
<td>.427</td>
<td>3.695</td>
</tr>
<tr>
<td>IM</td>
<td>-.309</td>
<td>.155</td>
<td>-.233</td>
<td>-1.991</td>
</tr>
<tr>
<td>NM</td>
<td>.308</td>
<td>.111</td>
<td>.284</td>
<td>2.771</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: ADHOC  
*b. Selecting only cases for which COUNTRY = 1*
TABLE 14
Regression Results: Contemporary Marketing Practices Used by Clans in The US

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>2.778</td>
<td>.577</td>
<td>4.812</td>
<td>.000</td>
</tr>
<tr>
<td>TM</td>
<td>-.272</td>
<td>.150</td>
<td>-.194</td>
<td>-1.818</td>
</tr>
<tr>
<td>DM</td>
<td>.199</td>
<td>.171</td>
<td>.138</td>
<td>1.163</td>
</tr>
<tr>
<td>IM</td>
<td>-7.62E-02</td>
<td>.139</td>
<td>-.066</td>
<td>-.548</td>
</tr>
<tr>
<td>NM</td>
<td>.297</td>
<td>.099</td>
<td>.313</td>
<td>2.983</td>
</tr>
</tbody>
</table>

a. Dependent Variable: CLAN
b. Selecting only cases for which COUNTRY = 1

TABLE 15
Summary of the Regression Results for the US

<table>
<thead>
<tr>
<th></th>
<th>Transaction</th>
<th>Database</th>
<th>Interaction</th>
<th>Network</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hierarchy</td>
<td>X</td>
<td>X</td>
<td>0.10</td>
<td>0.10</td>
</tr>
<tr>
<td>Market</td>
<td>X</td>
<td>0.05</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>0.05</td>
<td>0.05</td>
<td>0.05</td>
<td>0.05</td>
</tr>
<tr>
<td>Clan</td>
<td>0.10</td>
<td>X</td>
<td>X</td>
<td>0.05</td>
</tr>
</tbody>
</table>

In the US, hierarchical divisions significantly practice interaction and network marketing at the .10 level. Divisions with market characteristics significantly practice database marketing. As a result, H₃a is not supported. The most interesting result is that the adhocracies significantly practiced all of the contemporary marketing practices. As a result we have partial support for H₄. The clan divisions significantly practice network marketing at the .05 level and transaction marketing at the .10 level. This gives us partial support for H₃b.
Hypotheses H3a, H3b and H4, concerning the divisions, were tested in both Cote d’Ivoire and the US. The results are as follows:

**TABLE 16**
**Summary of Hypotheses Results Concerning the Divisions in Cote d’Ivoire and the US**

<table>
<thead>
<tr>
<th>H3a</th>
<th>Cote d’Ivoire</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partial support</td>
<td>not supported</td>
<td></td>
</tr>
<tr>
<td>H3b</td>
<td>not supported</td>
<td>partial support</td>
</tr>
<tr>
<td>H4</td>
<td>not supported</td>
<td>partial support</td>
</tr>
</tbody>
</table>

It is evident from the results of the three hypotheses that the divisions in Cote d’Ivoire and the US operate differently. In the analysis, thus far, we examined the relationship between each of the organizational cultures (dependent variable) and the contemporary marketing practices (independent variable) separately. However, we have evidence that most divisions exhibit characteristics of several types of cultures and also utilize one or more contemporary marketing practices. Therefore, structural equation modeling is more appropriate to use in examining the relationship between the organizational culture and contemporary marketing practices constructs. It will allow an examination of a series of dependence relationships simultaneously.

**Test of the Convergence Theory Using Lisrel**

There are several applications of structural equation modeling. These include confirmatory modeling strategy, competing models strategy, and model development strategy. In this study, we will first develop a model of the relationship of the two constructs for the US. In addition, by using the U.S. data to develop a model and then testing the same model to the Côte d’Ivoire data, we can test the universality of the model. In other words, is the way that US divisions operate the standard for which
similar divisions around the world operate? However, if the data for another country (in this case Cote d’Ivoire) does not fit the model, this suggests culture specificity. A new model for that country is then developed.

First, we developed a model for the US (Figure 3). The Lisrel results are presented in Appendix D.

**FIGURE 3**
Structural Model of the Relationship Between Organizational Culture and Contemporary Marketing Practices in the US

Chi-Square=10.23, df=8, P-value=0.24895, RMSEA=0.046
When examining the results of the model we first look at RMSEA. The model has a value of .058. A value of 0 to 0.05 indicates a good fit and should be less than 0.08. The number for this model falls within the acceptable range. The AGFI should be above .9 to indicate a good fit. The AGFI for this model is .91, which is very good. An additional indication that the model fits is that the ECVI (.51) is less than the ECVI for the saturated model (.54). In addition, the significance for Chi-square should be greater than .05. In this case, the Chi-square is .17. All of these indicate that the model is a reasonably close approximation in the population and that the model fits well.

Next, the model was tested with the Cote d’Ivoire data (Figure 4). The Lisrel results are presented in Appendix E.

**FIGURE 4**

Structural Model of the Relationship Between Organizational Culture and Contemporary Marketing Practices: Ivorian Data Fit to the US Model

![Diagram of the structural model with values labeled and connections between variables: CLAN to TM: 0.55, CLAN to HIERAR: 0.104, CLAN to ADHOC: 0.23, CLAN to MARKET: 0.52, HIERAR to TM: 0.18, HIERAR to DM: 0.08, HIERAR to IM: 0.38, HIERAR to NM: 0.32, ADHOC to TM: 0.28, ADHOC to IM: 0.04, ADHOC to NM: 0.32, MARKET to TM: 0.52, MARKET to DM: 0.15, MARKET to IM: 0.34, MARKET to NM: 0.31.]

Chi-Square=25.68, df=8, P-value=0.00119, RMSEA=0.153
The results do not indicate that the model fits well in Cote d’Ivoire. The RMSEA is .17, which is well above .08. In addition, the AFGI for this model (.76) falls well below the .9 standard. The ECVI (.88) is not less than the ECVI for the saturated. Lastly, the Chi-square for this model is .0062. In order to be a well fitting model, it should be greater than .05. The US model does not fit in Cote d’Ivoire. This tells us that although many businesses around the world are adopting US styles of business, differences still persist.

Figure 5 presents the model for Cote d’Ivoire

**FIGURE 5**
Structural Model of the Relationship Between Organizational Culture and Contemporary Marketing Practices in Cote d’Ivoire

Chi-Square=3.45, df=5, P-value=0.63071, RMSEA=0.000
This model has a RMSEA of 0.0. As mentioned earlier, values between 0 and .05 indicate a good fit. We find further evidence of the fit of this model by looking at the AGFI (.95). In addition the ECVI (.71) is less than the ECVI for the saturated model (.76). The Chi-square for this model is .71, which is well above .05. All of these indicate that this model fits very well.

There are key differences in terms of the US and the Ivorian models. The clan organizational culture differs in the US by practicing transaction marketing and database marketing as well as interaction marketing and network marketing. The hierarchy organizational culture differs by practicing interaction marketing in addition to transaction marketing, database marketing and network marketing. The adhocracies practice transaction marketing, interaction marketing, database marketing however unlike the US, they do not practice network marketing. The only difference between the US market organizational culture and the Ivorian market organizational culture is that the Ivorian market organizations do not practice database marketing.
CHAPTER FIVE
IMPLICATIONS

Discussion of findings and results

This research attempted to determine national culture’s influence on the forms of organizations within that country. In addition, we also wanted to determine whether national culture has an influence on managerial strategies. Our research indicates the powerful impact of national culture on how businesses operate. Although, there are numerous people from other countries who have studied business practices and methodology in the US, national culture still plays a role in implementation and transferring the knowledge to their respective home countries.

Although an organization’s country environment is important, the internal organizational culture is also important when examining the issue of the applicability of marketing concepts. Recognizing that the individual divisions contain characteristics of more than one culture type, we focused on degree. We determined that US firms displayed more market characteristics followed by hierarchy, clan and adhocracy. Conversely, Ivorian divisions displayed more hierarchical characteristics than the other organizational types. This was followed by clan, adhocracy and market characteristics.

In Deshpande, Farley and Webster (1993), the authors ranked from highest to lowest business performance according to organizational culture type. The two countries in this study were the US and Japan. Both of these countries are industrialized. They determined that “the market culture, characterized by its emphasis on competitive advantage and market superiority, is likely to result in the best business performance. . .in a more general sense, the organizational emphasis on external positioning over internal
maintenance is likely to be associated with stronger performance (Deshpande, Farley and Webster, 1993, p.26). Overall, they determined that the divisions that are more externally focused are higher performing. This type is most prevalent in the US. Ironically it is the least prevalent characteristic in Cote d’Ivoire. Over time, it will be interesting to monitor the organizational changes as the country becomes economically stronger. The fundamental question is will the organizations change from being more internally focused to becoming more externally focused.

In addition, we see differences in the use of contemporary marketing practices by division of different organizational types in the two countries. Although the divisions in the two countries may display similar characteristics, they differ in their use of contemporary marketing practices. Specifically, hierarchical divisions in the US practice transaction, database and network. Divisions with markets characteristics, practice transaction, interaction and network marketing. While adhocracies practice database, interaction and network marketing. Finally, clans significantly practiced interaction and network marketing.

In Cote d’Ivoire, the divisions, despite having similar organizational culture characteristics, utilized the contemporary marketing practices differently. Hierarchies in Cote d’Ivoire practice all four of the contemporary marketing practices: transaction, database, interaction and network. The Ivorian divisions, with market characteristics, practice transaction, interaction and network marketing. The adhocracy divisions practice transaction, database, and interaction marketing. Clan divisions in Cote d’Ivoire, similar to the hierarchies, practice all four of the contemporary marketing practices. Although it’s an emerging market, the organizations in Cote d’Ivoire are significantly
utilizing the contemporary marketing practices.

**Implications for Managers**

Understanding the relationship between managerial strategy and national culture holds two main implications for multinational business managers. First, culture is critical in the strategy process and its role should be examined. Therefore, examining the strategy to culture fit is essential. The greater the power distance, collectivist, and uncertainty avoidance scores, the greater the preference for centralized, hierarchical organizations and large production facilities focused on cost leadership strategies. When long-term orientation is added, we also see a preference for continuing, stable, harmonious relations, within hierarchical organizations that are characteristic of clans.

Cote d’Ivoire, the country chosen for this study, have the aforementioned cultural dimensions. The results of this research support this statement because the divisions in Cote d’Ivoire were characterized as having primarily hierarchical characteristics followed by clan characteristics.

Second, national culture affects strategy at the division level. In addition, it affects marketing and management practices as well as the managers and workers within the organizations. This is important because many companies are moving towards becoming multinational due to saturated US markets. Managers in these companies must understand the role of national culture in transferring information and know how. National culture is the unseen context for strategy. Knowledge of national cultural dimensions provides a necessary starting point for understanding workers, partners, and competitors. For example, high individualist scores (along with high masculinity scores) tend to result in highly competitive organizational cultures. However, these cultures are
not necessarily prized universally. When cultures differ, collaborative efforts require cultural awareness and sensitivity. This is particularly relevant when one of the countries is an emerging market. The “market environment of the Third World differs from that of the industrialized countries.” (Dadzie, Akaah and Riordan, 1988, p. 88) This study illustrates that two countries, despite having divisions within an organization with similar organizational cultures, use contemporary marketing practices differently. It appears that cultural specificity should be the approach and adjustments must be made to modify the concepts and practices to local cultures. This supports what other marketing scholars have already concluded; “Western marketing practices are applicable in developing countries if they are adapted to the unique local conditions.” (Dadzie, Johnston, Yoo and Brashear, 2002, p. 430) An adaptation of managerial practices to the national cultures in which they operate should lead to higher business performance. There is no one best way to manage a business. Gone is the adage that “one size fits all.”

Implications for Researchers

The methodology can be used in conducting cross-cultural research. Researchers conducting cross-cultural research can develop a model within one country by using structural equation modeling (LISREL), and proceed to test the model in other countries. Over time we can see if knowledge begins to converge or if national culture will always play a role. We have established the base Model for the US and attempted to fit it in Cote d’Ivoire. We can attempt to fit the same model in other countries to test for fit. The implications of this are far reaching in terms of transferability of marketing knowledge and know-how from industrialized countries to developing countries.

Africa as a venue for comparison will continue to add to the body of knowledge.
Fundamentally, “marketing should be applicable in the developing countries, regardless of environmental differences, because the fundamental concept of the discipline, need satisfaction, is universally relevant in all economies.” (Dadzie, Johnston, Yoo and Brashear, 2002, p. 430). This region has not been saturated with a lot of research and can provide interesting insight into emerging markets.

**Limitations**

There were several limitations to this study. One limitation is the sample size of the businesses. The study would have been more robust with a larger sample size. A question to ask is what is the appropriate sample size for the respective countries that would justify calling the model developed from this sample an adequate representation of all divisions within that country. “While there is no correct sample size, recommendations are for a size ranging between 100 to 200” (Hair, Anderson, Tatham and Black, 1995, p. 723). In addition, the managers manage larger businesses. This may not totally represent all business in Cote d’Ivoire because many of these managers were educated using Western theories.

In addition, this region has not been well researched. Therefore, there is no benchmark for establishing measurement equivalence. As a result, more research is imperative in not only this country but in others that share cultural similarities with Cote d’Ivoire. Unfortunately, a key problem lies in the stability of many of these African countries. Cote d’Ivoire once lauded has one of the most stable of the African countries, broke out into a civil war. As a result of a military coup d’etat in 1999, Cote d’Ivoire has experienced an extended period of instability. By September 2002, a large scale military rebellion had divided the country. Although Cote d’Ivoire is bordered by Liberia,
Guinea, Mali, and Burkina Faso, only its border with Ghana remains open. This instability has led to economic decline and high unemployment, exacerbating social tensions and creating the potential for labor unrest and civil disorder. However, in the first week of July 2003, ten months after the coup, military chiefs from the national army and former rebel forces have announced an end to the unrest. This decision was heavily influenced by a UN delegation overseeing the peace process. In the short run, this may negatively impact the research efforts in this region. However, this should not deter research efforts in the long run because of the great potential wealth of information that can be obtained. In addition, by elevating the economies of developing countries, new markets can be created.

**Directions for Future Research**

Since there has not been an abundance of testing of marketing theories in Africa, research in this region can offer interesting insight to both managers and researchers. African managers and their employees are culturally different from their Western counterparts. Researchers can examine the affect of these cultural differences on various marketing concepts and theories. Cote d’Ivoire is a good choice for study due to the various market reforms aimed at improving their overall economy. Further evidence that Cote d’Ivoire is a strong candidate for research is the GDP per capita (one of the highest in Africa), purchasing power, and net trade.

One research project would be to replicate this study in another emerging market in order to further examine the constructs of organizational culture and contemporary marketing practices. Another fascinating possibility would be to examine the affect of colonization. In the case of Cote d’Ivoire, we can compare the managers and employees
to managers and employees other countries that were also colonized by France, such as Senegal and Cameroon. In addition, we also have people of the same ethnic group colonized by different countries. Some countries that this comparison can be performed are Cote d’Ivoire and Ghana, and Senegal and The Gambia. It will also be important to revisit this research in the future to further examine the convergence theory. Does the evolution of the economy impact organizational processes and will these processes be more in line with those of Western organizations?

Another avenue for research is to further the work of the contemporary marketing group by studying the effect of other marketing and organizational constructs on contemporary marketing practices. This will add to the understanding of the way we look at relational and transaction marketing. The final area would be to continue to use LISREL for conducting cross cultural research and model development.
APPENDICES
APPENDICES
APPENDIX A

ECONOMIC INDICATORS FOR COTE D'IVOIRE

Key Economic Ratios and Long Term Trends

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>2000</th>
<th>2001</th>
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</thead>
<tbody>
<tr>
<td>GDP (US$ billions)</td>
<td>11.7</td>
<td>10.7</td>
<td>10.4</td>
</tr>
<tr>
<td>Export of goods and services (US $ millions)</td>
<td>4.8</td>
<td>4.3</td>
<td>4.1</td>
</tr>
<tr>
<td>Import of goods and services (US $ millions)</td>
<td>3.9</td>
<td>3.5</td>
<td>3.4</td>
</tr>
<tr>
<td>Export of goods and services (% of GDP)</td>
<td>41.4</td>
<td>39.8</td>
<td>39.4</td>
</tr>
<tr>
<td>Import of goods and services (% of GDP)</td>
<td>33.1</td>
<td>33.1</td>
<td>32.3</td>
</tr>
<tr>
<td>Resource Balance</td>
<td></td>
<td>646</td>
<td>664</td>
</tr>
<tr>
<td>Current Revenues(excluding grants(% GDP)</td>
<td>19.4</td>
<td>16.4</td>
<td>17.5</td>
</tr>
<tr>
<td>Trade in Goods ( % GDP)</td>
<td>61.7</td>
<td>60.6</td>
<td>60.3</td>
</tr>
<tr>
<td>Foreign Direct Investment(in US $ millions)</td>
<td>415.3</td>
<td>234.7</td>
<td>245.7</td>
</tr>
</tbody>
</table>

SOURCE: WORLD DEVELOPMENT INDICATORS DATABASE, APRIL 2003

THE ROLE OF THE WORLD BANK

The current portfolio of the Cote d’Ivoire consists of about a dozen projects with a total net commitment of $767.6 million and total undisbursed balance of $335 million, with projects and programs mainly in infrastructure, education and training, transport, health and agriculture. The following are just some of the programs most related to business development in this country.

Programs

International Finance Corporation (IFC)

The committed portfolio of the IFC is estimated at $112 million. This is among the top five largest country portfolios in Africa.

World Bank Institute (WBI)

There has been a steady increase in the number of Ivorian participants in the activities of the World Bank Institute. Since the launch of the Global Distance Learning Network (GDLN) center in Abidjan the number of participants rose from 109 in 2000 to 570 in ______.
APPENDIX B

ORGANIZATIONAL CULTURE SCALE
Deshpande, Farley and Webster (1993)

Item

My division is very . . .

personal. It’s like an extended family. People seem to share a lot of themselves. (Clan)
dynamic and entrepreneurial. People are willing to stick their necks out and take
risks. (Adhocracy)
formalized. Established procedures govern the employees’ activity. (Hierarchy)
production oriented. Established procedures govern the employees’ activity. (Market)

The head of my division is generally considered to be:

a mentor, sage, or a father or a mother figure. (Clan)
an entrepreneur, and innovator, or a risk taker. (Adhocracy)
a coordinator, an organizer, or an administrator. (Hierarchy)
a producer, a technician, or a hard-driver. (Market)

The glue that holds my division together is:

loyalty and tradition. Commitment to firm runs high. (Clan)
a commitment to innovation and development. There is an emphasis on being
first. (Adhocracy)
formal rules and policies. Maintaining a smooth-running institution is important
here. (Hierarchy)
an emphasis on tasks and goal accomplishment. A production orientation is shared.
(Market)

My division emphasizes:

human resources. High cohesion and moral in the firm are important. (Clan)
growth and acquiring new resources. Readiness to meet new challenges is important.
(Adhocracy)
permanence and stability. Efficient, smooth operations are important. (Hierarchy)
competitive actions and achievement. Measurable goals are important. (Market)
APPENDIX C

CONTEMPORARY MARKETING PRACTICES SCALE
Coviello, Brodie and Munro (2000)

Item Description

Managerial Intent

Our marketing activities are intended to:
- Attract new customers (TM)
- Retain existing customers (DM)
- Develop cooperative relationships with our customers (IM)
- Coordinate activities between ourselves, customers, and other parties in our wider marketing system (NM)

Managerial Focus

Our marketing planning is focused on issues related to:
- Our product/service offering(TM)
- Customers in our market(s)(DM)
- Specific customers in our market(s)(IM)
- The network of relationships between individuals and organizations in our wider marketing system(NM)

Purpose of Exchange

When dealing with our market, our focus is on:
- Generating a profit or other “financial” measure(s) of performance (TM)
- Acquiring customer information(DM)
- Building a long-term relationship with a specific customer(s)(IM)
- Forming strong relationships with a number of organizations in our market(s) or wider marketing system(NM)

Type of Contact

Our organization’s contact with our primary customers is:
- Impersonal (e.g., no individuals or personal contact(TM)
- Somewhat personalized (e.g. by direct mail)(DM)
- Interpersonal (e.g. involving one-to-one interaction between people)(IM/NM)
Duration of Exchange

**When a customer buys our products we believe they expect:**
- No future personalized contact with us (TM)
- Some future personalized contact with us (DM)
- One-to-one personal contact with us (IM)
- Ongoing one-to-one personal contact with people in our organization and wider marketing system (NM)

Managerial Investment

**Our marketing resources (e.g. people, time, money) are invested in:**
- Product, promotion, price, and distribution activities (or some combination of these) (TM)
- Technology to improve communication with our customers (DM)
- Establishing and building personal relationships with individual customers (IM)
- Developing our organization’s network relationships within our market(s) or wider marketing system (NM)

Managerial Level

**In our organization, marketing activities are carried out by:**
- Functional marketers (e.g. marketing manager, sales manager, major account manager) (TM)
- Specialist marketers (e.g. customer service manager, loyalty manager) (DM)
- Non-marketers who have responsibility for marketing and other aspects of the business (IM)
- The Managing Director or CEO (NM)

Nature of Communication

**Our market communication involves:**
- Our organization communicating to the mass market (TM)
- Our organization targeting a specifically identified segment(s) or customer(s) (DM)
- Individuals at various levels in our organization personally interacting with their individual customers (IM)
- Senior managers networking with other managers from a variety of organizations in our market(s) or wider marketing system

Formality of Exchange

**When people from our organization meet with our primary customers it is:**
- Mainly at a formal, business level (TM)
- Mainly at an informal, social level (DM)
- At both a formal, business and informal, social level (IM/NM)
Overall Approach

**Overall, our organization’s general approach to our primary customers involves:**
Managing the marketing mix to attract and satisfy customers in a broad market (TM)
Using technology-based tools to target and retain customers in a specific segment of the Market (DM)
Developing personal interactions between employees and individual customers (IM)
Positioning the firm in a wider organizational system/network (NM)
Appendix D
Lisrel Output for US Data

Observed Variables: CLAN HIERAR ADHOC MARKET TM DM IM NM

Correlation matrix:

1
-0.01783 1
0.557753 -0.28025 1
0.023458 0.389993 0.275283 1
-0.10525 0.033578 0.012449 0.100125 1
0.126605 0.062336 0.298037 0.22541 0.512494 1
0.217041 -0.02342 0.165708 0.077458 -0.1392 0.446004 1
0.317519 0.115223 0.28843 0.116617 0.031892 0.373131 0.62068 1

Standard deviations: 0.822014 0.731713 0.942017 0.814653 0.592507 0.57375 0.713223 0.87052

Sample size: 139

Equations:
TM = HIERAR MARKET
DM = HIERAR ADHOC MARKET
IM = CLAN ADHOC MARKET
NM = CLAN ADHOC MARKET HIERAR

DM = TM IM
NM = IM

!let errors TM DM correlate
!let errors TM IM correlate
!let errors TM NM correlate
!let errors DM IM correlate
!let errors DM NM correlate
!let errors IM NM correlate

Path diagram
End of Problem

Sample Size = 139
Goodness of Fit Statistics

Degrees of Freedom = 7
Minimum Fit Function Chi-Square = 10.34 (P = 0.17)
Normal Theory Weighted Least Squares Chi-Square = 10.12 (P = 0.18)
Estimated Non-centrality Parameter (NCP) = 3.12
90 Percent Confidence Interval for NCP = (0.0 ; 15.79)

Root Mean Square Error of Approximation (RMSEA) = 0.058
90 Percent Confidence Interval for RMSEA = (0.0 ; 0.13)
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.37

ECVI for Independence Model = 2.82

Independence AIC = 377.23
Model AIC = 68.12
Saturated AIC = 72.00
Independence CAIC = 408.70
Model CAIC = 182.22
Saturated CAIC = 213.64

Root Mean Square Residual (RMR) = 0.019
Standardized RMR = 0.043
Goodness of Fit Index (GFI) = 0.98
Adjusted Goodness of Fit Index (AGFI) = 0.91
Parsimony Goodness of Fit Index (PGFI) = 0.19

Normed Fit Index (NFI) = 0.97
Non-Normed Fit Index (NNFI) = 0.96
Parsimony Normed Fit Index (PNFI) = 0.24
Comparative Fit Index (CFI) = 0.99
Incremental Fit Index (IFI) = 0.99
Relative Fit Index (RFI) = 0.89

Critical N (CN) = 247.51
Appendix E
Lisrel Output for the Ivorian Data fit to the US Model

Observed Variables: CLAN HIERAR ADHOC MARKET TM DM IM NM

Correlation matrix:
1
0.077522 1
0.335087 0.546252 1
-0.06455 0.584037 0.468112 1
-0.18434 0.364424 0.38315 0.472036 1
-0.02278 0.384054 0.445132 0.357912 0.489859 1
0.185142 0.440866 0.378321 0.243484 0.163886 0.683753 1
0.103044 0.376943 0.321005 0.350303 0.263082 0.580103 0.693613 1

Standard deviations: 0.742614 0.620348 0.934728 0.723534 0.823579 0.621078 0.635149 0.795084

sample size: 100

Equations:
TM = HIERAR MARKET
DM = HIERAR ADHOC MARKET
IM = CLAN ADHOC MARKET HIERAR
NM = CLAN ADHOC MARKET HIERAR

DM = TM IM
NM = IM

!let errors TM DM correlate
!let errors TM IM correlate
!let errors TM NM correlate
!let errors DM IM correlate
!let errors DM NM correlate
!let errors IM NM correlate

Path diagram
End of Problem
Goodness of Fit Statistics

Degrees of Freedom = 6
Minimum Fit Function Chi-Square = 18.02 (P = 0.0062)
Normal Theory Weighted Least Squares Chi-Square = 16.61 (P = 0.011)
Estimated Non-centrality Parameter (NCP) = 10.61
90 Percent Confidence Interval for NCP = (2.08 ; 26.75)

Minimum Fit Function Value = 0.18
Population Discrepancy Function Value (F0) = 0.11
90 Percent Confidence Interval for F0 = (0.022 ; 0.28)
Root Mean Square Error of Approximation (RMSEA) = 0.14
90 Percent Confidence Interval for RMSEA = (0.060 ; 0.22)
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.034

Expected Cross-Validation Index (ECVI) = 0.81
90 Percent Confidence Interval for ECVI = (0.72 ; 0.98)
ECVI for Saturated Model = 0.76
ECVI for Independence Model = 3.75

Chi-Square for Independence Model with 28 Degrees of Freedom = 340.27
Independence AIC = 356.27
Model AIC = 76.61
Saturated AIC = 72.00
Independence CAIC = 385.11
Model CAIC = 184.76
Saturated CAIC = 201.79

Root Mean Square Residual (RMR) = 0.029
Standardized RMR = 0.048
Goodness of Fit Index (GFI) = 0.96
Adjusted Goodness of Fit Index (AGFI) = 0.76
Parsimony Goodness of Fit Index (PGFI) = 0.16

Normed Fit Index (NFI) = 0.95
Non-Normed Fit Index (NNFI) = 0.82
Parsimony Normed Fit Index (PNFI) = 0.20
Comparative Fit Index (CFI) = 0.96
Incremental Fit Index (IFI) = 0.96
Relative Fit Index (RFI) = 0.75

Critical N (CN) = 93.38
Appendix F
Lisrel Output for the Ivorian Model

Observed Variables: CLAN HIERAR ADHOC MARKET TM DM IM NM

Correlation matrix:
1
0.077522 1
0.335087 0.546252 1
-0.06455 0.584037 0.468112 1
-0.18434 0.364424 0.38315 0.472036 1
-0.02278 0.384054 0.445132 0.357912 0.489859 1
0.185142 0.440866 0.378321 0.243484 0.163886 0.683753 1
0.103044 0.376943 0.321005 0.350303 0.263082 0.580103 0.580103 0.693613 1

Standard deviations: 0.742614 0.620348 0.934728 0.723534 0.823579 0.621078
0.635149 0.795084

sample size: 100

Equations:
TM = HIERAR MARKET ADHOC CLAN
DM = HIERAR ADHOC CLAN
IM = CLAN ADHOC MARKET HIERAR
NM = CLAN MARKET HIERAR

DM = TM IM
NM = IM

!let errors TM DM correlate
!let errors TM IM correlate
!let errors TM NM correlate
!let errors DM IM correlate
!let errors DM NM correlate
!let errors IM NM correlate

Path diagram
End of Problem
Covariance Matrix of Independent Variables

Goodness of Fit Statistics

Degrees of Freedom = 5
Minimum Fit Function Chi-Square = 2.92 (P = 0.71)
Normal Theory Weighted Least Squares Chi-Square = 2.86 (P = 0.72)
Estimated Non-centrality Parameter (NCP) = 0.0
90 Percent Confidence Interval for NCP = (0.0 ; 5.19)

Minimum Fit Function Value = 0.029
Population Discrepancy Function Value (F0) = 0.0
90 Percent Confidence Interval for F0 = (0.0 ; 0.055)
Root Mean Square Error of Approximation (RMSEA) = 0.0
90 Percent Confidence Interval for RMSEA = (0.0 ; 0.10)
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.81

Expected Cross-Validation Index (ECVI) = 0.71
90 Percent Confidence Interval for ECVI = (0.71 ; 0.76)
ECVI for Saturated Model = 0.76
ECVI for Independence Model = 3.75

Chi-Square for Independence Model with 28 Degrees of Freedom = 340.27
Independence AIC = 356.27
Model AIC = 64.86
Saturated AIC = 72.00
Independence CAIC = 385.11
Model CAIC = 176.62
Saturated CAIC = 201.79

Root Mean Square Residual (RMR) = 0.0099
Standardized RMR = 0.017
Goodness of Fit Index (GFI) = 0.99
Adjusted Goodness of Fit Index (AGFI) = 0.95
Parsimony Goodness of Fit Index (PGFI) = 0.14

Normed Fit Index (NFI) = 0.99
Non-Normed Fit Index (NNFI) = 1.04
Parsimony Normed Fit Index (PNFI) = 0.18
Comparative Fit Index (CFI) = 1.00
Incremental Fit Index (IFI) = 1.01
Relative Fit Index (RFI) = 0.95

Critical N (CN) = 512.67
Please answer these questions about the organization you work for. Take as much time as necessary to both read and answer the questions.

Section A- About Your Organization

In this section we ask you for details about your organization. By “your organization” we mean the legally constituted entity where you are employed. This maybe a division of a larger organization.

Please answer the following questions about your organization.

1. What goods/services does your organization market? (Please check all those applicable)
   - [ ] Consumer Packaged Goods (e.g. pet food)
   - [ ] Consumer Durable Goods (e.g., automobiles)
   - [ ] Industrial Goods (e.g., manufacturing equipment)
   - [ ] Consumer Services (e.g., retail banking)
   - [ ] Business-to-Business Services
   - [ ] Not for profit
   - [ ] Other (please specify) _________________________

2. Was your organization established:
   - [ ] Less than five years ago
   - [ ] 6-10 years ago
   - [ ] 11-30 years ago
   - [ ] More than 30 years ago

3. What proportion of your organization’s 1999 sales turnover in value is generated by sales export markets?
   - [ ] None
   - [ ] Less than 10%
   - [ ] 11 – 25%
   - [ ] 26 – 50%
   - [ ] 51 – 79%
   - [ ] Greater than 80%
   - [ ] Information is not available
4a. What was your organization’s annual sales turnover? (in Millions-please state currency)

   □ Information is not available

4b. Averaged over the last three years, what has been annual rate of change in your organization’s sales turnover?

   □ No change
   □ Increased by 1 – 10%
   □ Increased by 11 – 20%
   □ Increased by 21 – 30%
   □ Increased by more than 30%
   □ Decreased

5a. Is your organization:

   □ Totally domestically owned?
   □ Domestic/foreign jointly owned?
   □ Totally foreign owned?

5b. Is your organization a division/subsidiary of a large organization?

   □ Yes    □ No

6. How many people are currently employed:

   in the organization you work for
   in the marketing activities (excluding sales)? □ □ □ □
   In sales activities? □ □ □ □

7. Would you describe your organization as: (please circle a number)

   Currently: a low technology organization 1 2 3 4
   5
   a high technology organization 1 2 3 4
   5

   In 5 year’s time: a low technology organization 1 2 3 4
   5
   A high technology organization 1 2 3 4
   5

Section B- About Your Primary Customers

Your organization may focus is marketing activities on a number of “customer groups.” Please describe who your organization’s Primary customers are. By “Primary customers” we mean those customers
### Section C- About Marketing Practice in Your Organization

This section has a number of questions about how marketing is practiced in your organization. You may find that some questions, or parts of questions, in this section appear to be similar to each other. This has been deliberate, in the sense that each question and sub-question has been designed to examine a specific and separate aspect of marketing practice. It has not been done to try to “test” you in any way! Remember, there are no right or wrong answer to this questionnaire.

For each question, please read all parts. Then please answer all parts of each question by circling the number on each scale that best correspond to what actually happens in your organization.

**IMPORTANT:** Please answer the questions in the context of how you deal with the primary customers served by your organization.

<table>
<thead>
<tr>
<th>1. Our marketing activities are intended to:</th>
<th>Never</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>Always</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) attract new customers</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) retain existing customers</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) develop cooperative relationships with our customers</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) coordinate activities between ourselves, customers, and other parties in our wider marketing system (e.g., key suppliers, service providers and other organizations with which we interact through our marketing activities)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Our marketing planning is focused on issues related to:</th>
<th>Never</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>Always</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) our product/service offering</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) customers in our market(s)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) specific customers in our market(s), or individuals in organizations we deal with</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) the network of relationships between individuals and organizations in our wider marketing system</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. When dealing with our market(s), our focus is on:</th>
<th>Never</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>Always</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) generating a profit or other “financial” measure(s) of performance</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) acquiring customer information</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) building a long-term relationships with a specific customer(s)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) forming strong relationships with a number of organizations in our market(s) or wider marketing system</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. Our organization’s contact with our primary customers is:</th>
<th>Never</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>Always</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) impersonal (e.g., no individuals or personal contact)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) somewhat personalized (e.g., by direct mail)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) interpersonal (e.g., involving one-to-one interaction between people)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. *When a customer buys our products/services we believe they expect:*  
   a) no future personalized contact with us 1 2 3 4 5 6  
   b) some future personalized contact with us 1 2 3 4 5 6  
   c) one-to-one personal contact with us 1 2 3 4 5 6  
   d) ongoing one-to-one personal contact with people in our organization and our wider marketing system 1 2 3 4 5 6  

6. *Our marketing resources (i.e., people time and money) are invested in:*  
   a) product, promotion, price, and distribution activities (or some combination of these) 1 2 3 4 5 6  
   b) technology to improve communication with our customers 1 2 3 4 5 6  
   c) establishing and building personal relationships with individual customers 1 2 3 4 5 6  
   d) developing our organization’s network relationships within our market(s) or wider marketing system 1 2 3 4 5 6  

7. *In our organization, marketing activities are carried out by:*  
   a) functional marketers (e.g., marketing manager, sales manager, major account manager) 1 2 3 4 5 6  
   b) specialist marketers (e.g., marketing manager, sales manager, major account manager) 1 2 3 4 5 6  
   c) non-marketers who have responsibility for marketing and other aspects of the business 1 2 3 4 5 6  
   d) the Managing Director or CEO 1 2 3 4 5 6  

8. *Our market communication involves:*  
   a) our organization communicating to the mass market 1 2 3 4 5 6  
   b) our organization targeting a specifically identified segment(s) or customer(s) 1 2 3 4 5 6  
   c) individuals at various levels in our organization personally interacting with their individual customers 1 2 3 4 5 6  
   d) senior managers networking with other managers from a variety of organizations in our market(s) or wider marketing system 1 2 3 4 5 6  

9. *When people from our organization meet with our primary customers, it is:*  
   a) mainly at a formal, business level 1 2 3 4 5 6  
   b) mainly at an informal, social level 1 2 3 4 5 6  
   c) at both a formal, business and informal social level 1 2 3 4 5 6  

10. Overall, our organization’s general approach to our primary customers involves:  
    a) managing the marketing mix to attract and satisfy customers in a broad market 1 2 3 4 5 6  
    b) using technology-based tools to target and retain customers in a specific segment of the market 1 2 3 4 5 6  
    c) developing personal interactions between employees and individual customers 1 2 3 4 5 6  
    d) positioning the firm in a wider
Section D- Your Views on Marketing

1. Has your organization changed its marketing practices in the last few years? If so, how? Please describe in as much detail as possible.

2. Should your organization change its marketing practice? If so, how? Why? Please describe in as much detail as possible.

3. Based on your experience, what are the major trends in marketing practice currently affecting your industry? Please describe in as much detail as possible.

4. How will information technology development have an impact on your organization and industry over the next two-three years?
1. What is the title of your current position? ___________________________________________

2. How long have you held this position?
   - Less than 1 year
   - 1 - 3 years
   - More than 3 years

3. How long have you worked in your organization?
   - Less than 1 year
   - 1 – 3 years
   - 4 – 5 years
   - More than 5 years

4. What is the title of the position you report to? _______________________________________

5. What is the title of the most senior marketing position in your organization?
   __________________________________________________________

6. What is the highest level of education you have completed?
   - High School Diploma
   - Undergraduate Degree
   - Technical Qualification
   - Postgraduate Degree
   - Other ________________________________

7. Have any formal marketing qualification or marketing training?
   - Yes    No

8. Are you:
   - Less than 25 years old?
   - 26-25 years old?
   - 36-45 years old?
   - 46-55 years old?
   - 56-55 years old?

9. Where is your organization located? (please name city and country)
**Section F – About Your Organization’s Environment**

10. Please indicate the degree to which these qualities reflect the division where you work.

<table>
<thead>
<tr>
<th>Strongly</th>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>My division is very...</strong></td>
<td><strong>Strongly</strong></td>
<td><strong>Disagree</strong></td>
</tr>
<tr>
<td>Personal. It’s like an extended family. People seem to share a lot of themselves.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Dynamic and entrepreneurial. People are willing to stick their necks out and take risks.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Formalized. Established procedures govern the employees’ activity.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Production oriented. The major concern is getting the job done. People aren’t very personally involved.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>The head of my division is generally considered to be:</td>
<td><strong>1 2 3 4 5</strong></td>
<td></td>
</tr>
<tr>
<td>a mentor, sage, or a father or a mother figure.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>an entrepreneur, and innovator, or a risk taker.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>a coordinator, an organizer, or an administrator.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>a producer, a technician, or a hard-driver.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>The glue that holds my division together is:</td>
<td><strong>1 2 3 4 5</strong></td>
<td></td>
</tr>
<tr>
<td>Loyalty and tradition. Commitment to firm runs high.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>A commitment to innovation and development. There is an emphasis on being first.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Formal rules and policies. Maintaining a smooth-running institution is important here.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>An emphasis on tasks and goal accomplishment. A production orientation is shared.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

**My division emphasizes:**

- **Human resources.** High cohesion and moral in the firm are important.
  - 1 2 3 4 5
- **Growth and acquiring new resources.** Readiness to meet new challenges is important.
  - 1 2 3 4 5
- **Permanence and stability.** Efficient, smooth operations are important.
  - 1 2 3 4 5
- **Competitive actions and achievement.** Measurable goals are important.
  - 1 2 3 4 5
<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>The demand for our end products vary continually.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>Agree</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Readiness to meet new challenges is important.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Efficient, smooth operations are important.</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measurable goals are important.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The demand for our end products vary continually.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The demand conditions for our supplier’s product are very irregular.</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Our most important competitors are regularly carrying out product adjustments and development of new products.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The products we purchase from our supplier have very high innovative rates and short life cycles.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In our kind of business, customers’ product preferences change quite a bit over time.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our customers tend to look for new product all the time.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sometimes our customers are very price-sensitive, but on other occasions, price is relatively unimportant.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We are witnessing demand for our products and services from customers who never bought them before.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New customers tend to have product-related needs that are different from those of our existing customers.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We cater to many of the same customers that we used to in the past.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New customers tend to have product-related needs that are different from those of our existing customers.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We cater to many of the same customers that we used to in the past.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competition in our industry is cutthroat.</td>
<td></td>
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</tr>
<tr>
<td>There are many “promotion wars” in our industry.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Anything that one competitor can offer, others can</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
match readily.  1  2  3  4  5

Price competition is a hallmark of our industry.  1  2  3  4  5

One hears of a new competitive move almost every day.  1  2  3  4  5

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The technology in our industry is changing rapidly.</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Technological changes provide big opportunities in our Industry.</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>It is very difficult to forecast where the technology in our Industry will be in the next 2 to 3 years.</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>A large number of new product ideas have been made possible through technological breakthroughs in our industry.</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Technological developments in our industry are rather Minor.</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>

Thank you for your time and effort!

The results of this survey will be analyzed relative to those from other managers in Argentina, Canada, New Zealand, England, Finland, Germany, Ireland, Sweden, Thailand, and the U.S.

Please ask your Professor for details.
Appendix H-Survey Instrument Cote d’Ivoire

ETUDE SUR LA PRATIQUE DU MARKETING
Répondez aux questions suivantes relatives à l’organisation pour laquelle vous travaillez. Prenez le temps nécessaire pour lire et répondre aux questions

Section A – Au sujet de Votre Organisation

Dans cette section, nous vous demandons des détails à propos de votre Organisation. Par le terme « votre organisation », nous nous adressons à l’entité légale qui vous emploie. Il peut s’agir d’une division, d’une organisation plus importante.

Répondez aux questions suivantes à propos de votre organisation

1. Quels types de marchandises / services sont commercialisés par votre organisation ? (cochez tout ce qui est applicable à votre cas)

   - □ Marchandises prêtes à la consommation (aliments)
   - □ Marchandises durables (ex. Automobiles)
   - □ Marchandises industrielles (equipment de fabrication)
   - □ Services consommateurs (ex. Banque de particuliers SGBCI, BHCI)
   - □ A but non lucratif
   - □ Autres (spécifiez)

2. Votre organisation est créée depuis :

   - □ moins de cinq ans
   - □ 6 à 10 ans
   - □ 11 à 30 ans
   - □ plus de 30 ans

3. Quelle proportion du chiffre d’affaire des ventes 1999 de votre organisation est générée par les marchés à l’exportation ?

   - □ Aucune
   - □ Moins de 10%
   - □ 11 à 25%
   - □ 25 à 50%
   - □ 51 à 79%
☐ supérieur à 80%
☐ Information non disponible

4a. Quel a été le chiffre d’affaire annuel de ventes de votre organisation ?
(En millions. Précisez la devise S.V.P)-----------------

4b. Approximativement les trois dernières années. Quelles ont été les variations annuelles au niveau du chiffre d’affaire des ventes de votre organisation ?
☐ Pas de changement
☐ Accroissement de 1 à 10%
☐ Accroissement de 11 à 20%
☐ Accroissement de 21 à 30%
☐ Accroissement de plus de 30%
☐ Chute

5a. Votre organisation est-elle:
☐ Entièrement a participation nationale ?
☐ Entièrement a participation étrangère
☐ Conjointement nationale/étrangère ?

5b. Votre organisation est-elle une division/ filiale d’une organisation plus grande ?
☐ Oui
☐ Non

6. Combien de personnes sont employées :
   _____ Dans l’organisation ou bous travaillez
   _____ Dans les activités marketing (excepte la vente) ?
   _____ Dans les activités de vente ?

7. Présenterez-vous votre organisation comme : (entourez un chiffre S.V.P)
8. Actuellement :    une organisation de faible technologie 1 2 3 4 5
                       une organisation de haute technologie 1 2 3 4 5
Dans 5 ans :      une organisation de faible technologie 1 2 3 4 5
                       une organisation de faible technologie 1 2 3 4 5
N.B. il s’agit de l’importance de la technologie dans votre organisation

Section B – A propos de Vos Clients Primaires

Votre organisation fait une segmentation de ses activités marketing sur un certain nombre de ‘’ groupes de clients ‘’. Décrivez qui sont les clients Primaires de votre organisation. Par le terme ‘’ clients Primaires ‘’, nous entendons les clients qui sont visés en premier par vos activités marketing.

Section C – A propos de la Pratique du Marketing au sein de Votre Organisation

Cette section comprend des questions relatives à la façon dont le marketing est pratique dans votre organisation. Vous trouverez que certaines questions, ou certaines parties des questions sont similaires. Ceci a été fait délibérément puisque chaque question et sous-question a été formulée pour examiner un aspect spécifique et sépare de la pratique du marketing. Le but n’est pas d’évaluer vos connaissances. Souvenez-vous qu’il n’y a pas de réponse vraie ou fausse dans ce questionnaire.

Pour chaque question, lisez entièrement. Ensuite répondez à toutes les questions en entourant le chiffre qui correspond le mieux à ce qui se passe réellement dans votre organisation.

IMPORTANT : Répondez aux questions en tenant compte du contexte dans lequel vous traitez avec les clients Primaires de votre organisation.

N.B. : 1 = Jamais
5 = Toujours
6 = Jamais/Toujours à la fois donc nul.

1. Nos activités marketing ont pour objectif de :

a) attirer de nouveaux clients 1 2 3 4 5 6
b) maintenir les clients existants 1 2 3 4 5 6
c) développer la coopération avec nos clients 1 2 3 4 5 6
d) coordiner les activités entre nos clients, d’autres parties de notre système marketing et nous (exemple : les fournisseurs clés, les fournisseurs de service et d’autres organisations avec lesquelles nous agissons à travers nos activités marketing). 1 2 3 4 5 6

2. Notre planning marketing est base sur des sujets relatifs à :

a) notre offre de produit/service 1 2 3 4 5 6
b) clients sur nos marchés

c) clients spécifiques sur nos marchés, ou des individus des organisations avec lesquelles nous travaillons 1 2 3 4 5 6
d) réseau de relations entre individus et organisations de notre système marketing 1 2 3 4 5 6
3. *Dans nos activités sur notre ou nos marchés nous mettons l’accent sur :*

a) générer du profit ou d’autre mesure(s) financières
   1 2 3 4 5 6
b) acquisition d’information sur la clientèle
   1 2 3 4 5 6
c) création de relation à long terme avec des clients
   1 2 3 4 5 6
d) édification de relations solides avec des organisations dans notre marché ou notre système marketing
   1 2 3 4 5 6

4. *Le contact de notre organisation avec ses clients Primaires est :*

a) impersonnel (exemple : pas de contact individuel ou personnel)
   1 2 3 4 5 6
b) souvent personnalisé (exemple : par courrier direct)
   1 2 3 4 5 6
c) interpersonnel (exemple : passant d’une personne à une autre) “(bouche à oreille)”
   1 2 3 4 5 6

5. *Lorsqu’un client achète nos produits/services nous croyons qu’il s’attend à :*

a) pas de contacts futurs personnalisés avec nous
   1 2 3 4 5 6
b) de prochains contacts personnalisés avec nous
   1 2 3 4 5 6
c) des contacts personnels directs avec nous
   1 2 3 4 5 6
d) des contacts personnels directs continus avec les gens de notre organisation et de notre système général de marketing
   1 2 3 4 5 6

6. *Nos ressources marketing (exemple : ressources humaines, temps argent) sont investis dans :*

a) produit, promotion, prix, et les activités de distribution
   1 2 3 4 5 6
b) technologie pour améliorer la communication avec nos clients
   1 2 3 4 5 6
c) création et consolidation des relations personnelles avec les clients individuels
   1 2 3 4 5 6
d) développement du réseau relationnel de notre organisation au sein de notre/nos marché(s) ou système marketing
   1 2 3 4 5 6
7. *Dans notre organisation, les activités marketing sont menées par :*

a) des marketers fonctionnels (exemple : Directeur marketing, Directeur de ventes, gestionnaire de comptes…)  
   1 2 3 4 5 6

b) spécialistes en marketing (exemple : Directeur de services clientèle, Conseil juridique…)  
   1 2 3 4 5 6

c) Personnes non marketers qui ont la responsabilité de mener des actions marketing et autres aspects de L’activité de l’entreprise  
   1 2 3 4 5 6

d) la Direction Générale (précisez la fonction exacte)  
   1 2 3 4 5 6

8. *Notre communication du marché comprend :*

a) la communication de notre organisation avec le marché  
   1 2 3 4 5 6

b) le ciblage par notre organisation d’un segment spécifique ou de la clientèle  
   1 2 3 4 5 6

c) des individus à divers niveaux de notre organisation qui interviennent personnellement auprès de clients individuels  
   1 2 3 4 5 6

d) des managers senior en réseau avec d’autres managers d’une variété d’organisation dans notre marché ou notre système marketing.  
   1 2 3 4 5 6

9. *Lorsque des personnes de notre organisation rencontrent nos clients *primaires*, c’est :*

a) principalement dans un cadre formel, pour affaire  
   1 2 3 4 5 6

b) principalement dans un cadre informel, au  
   1 2 3 4 5 6

c) pour les deux, au plan formel pour affaire, et au plan informel pour le social  
   1 2 3 4 5 6

10. *Généralité, l’approche générale de notre organisation à l’endroit de nos clients *primaires* comprend :*

a) faire du marketing mix pour attirer et satisfaire les clients dans un large marché  
   1 2 3 4 5 6

b) utiliser les outils bases sur la technologie pour cibler et maintenir les clients dans un segment spécifique du marché  
   1 2 3 4 5 6

c) développer des interactions personnelles entre les employés et les clients  
   1 2 3 4 5 6

d) positionner l’entreprise dans un grand système ou réseau organisationnel  
   1 2 3 4 5 6
Section D – Votre opinion sur le marketing

(Si vous voulez donner plus de détails, faites le sur une page séparée)

1. Votre organisation a-t-elle change ses pratiques marketing au cours des années précédentes ? si oui, comment, décrivez cela avec tous les détails possibles S.V.P.

2. Votre organisation devrait-elle changer sa pratique marketing si oui, comment ? pourquoi ? décrivez cela avec tous les détails possibles S.V.P.

3. A partir de votre expérience, quelles sont les tendances majeures dans la pratique marketing qui affectent actuellement votre industrie ? décrire avec tous les détails possibles.

4. En quoi le développement de la technologie de l'information pourrait avoir un impact sur votre organisation et industrie au cours des deux ou trois prochaines années ?

Section E – Vous concernant

1. Quel est votre titre (grade) dans votre fonction (position) actuelle ? .....................

2. depuis combien de temps occupez-vous cette position ?
   - [ ] moins de 1 an
   - [ ] 1 à 3 ans
   - [ ] plus de 3 ans
3. Depuis combien de temps travaillez-vous dans cette organisation ?

☐ moins de 1 an
☐ 1 à 3 ans
☐ 4 à 5 ans
☐ plus de 3 ans

4. Quel est le titre (grade) de votre supérieur hiérarchique ? ................................................

5. Quel est le titre de la plus haute position marketing dans votre organisation ? 

........................................................................................................................................................................

6. Quel est notre plus haut niveau d’étude ?

☐ Diplôme du secondaire
☐ Premier cycle universitaire
☐ Autre
☐ Qualification technique (BT,BEP,BTS…)

7. avez-vous une formation ou un diplôme de marketing ?

☐ Oui
☐ Non

Si oui, décrivez :

8. Etes-vous âgé de :

☐ moins de 25 ans
☐ 26 à 35 ans
☐ 36 à 45 ans
☐ 46 à 55 ans
☐ 56 à 55 ans

9. Ou est située votre organisation ? (ville, pays) .................................................................
Section F – concernant votre organisation

<table>
<thead>
<tr>
<th>Absolument pas</th>
<th>Pas d’accord</th>
<th>Indifferent</th>
<th>D’accord</th>
<th>Fortement d’accord</th>
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1. Indiauez s’il vous plait le degré auquel les caractéristiques suivantes reflètent la situation de votre entreprise (la plupart des firmes sont un mélange des caractéristiques ci-dessous à :

**a) l’entreprise ou je travaille…..**

- est très chaleureuse. C’est comme une large famille. Les employés se sentent personnellement impliqués dans leur travail. 1 2 3 4 5
- est très dynamique et encourage l’esprit d’entreprise. Les employés sont prêts à essayer des choses nouvelles et à prendre des risques. 1 2 3 4 5
- a une structure très formalisée. Les procédures établies dirigent l’activité des employés. 1 2 3 4 5
- est très orientée vers la production. Le souci majeur est d’accomplir sa mission. Les employés sont pas impliqués personnellement dans l’activité de l’entreprise. 1 2 3 4 5

**b) Le Directeur de mon entreprise est considéré comme…**

- un guide, un sage ou un parent. 1 2 3 4 5
- un entrepreneur, un innovateur, quelqu’un qui prend des risques. 1 2 3 4 5
- un coordonnateur, un organisateur ou un administrateur. 1 2 3 4 5
- un producteur, un technicien ou un autocrate. 1 2 3 4 5

**c) Le ciment qui maintient l’unite de l’entreprise est…**

…la loyauté et la tradition. 1 2 3 4 5
…l’engagement pour cette entreprise est a un haut degré. 1 2 3 4 5
…notre engagement pour l’innovation et le développement. 1 2 3 4 5
…l’accent est mis sur le fait d’être premier. 1 2 3 4 5
…forme par les règles formelles et les régulations. Maintenir une institution qui fonctionne de façon continue est important pour nous. 1 2 3 4 5
…l’accent est mis sur les tâches et les réalisations des buts. 1 2 3 4 5
L’orientation vers la production est acceptée par tous les employés. 1 2 3 4 5
**d) Mon entreprise insiste sur...**

...les ressources humaines
Une forte cohésion et une bonne morale sont importantes.  
...la croissance et l’acquisition de nouvelles ressources.
Il est important d’être toujours prêt à faire face aux défis.
...la consistance et la stabilité. Il est important que les
opérations se fassent de façon continue et efficiente
...les actions compétitives et sur la réalisations des buts
les buts quantifiables sont important.

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**Indiquez le degré de concordance des informations suivantes au sujet de l’environnement de votre entreprise**

- La plupart de nos concurrents font des ajustements de produits et créer des nouveaux produits  
  - Les produits que nous achetons chez notre fournisseur sont tres innovateurs et ont des cycles de vie courts  
  - Dans le type d’affaires ou nous exerçons, les preferences des clients changent tres peu a travers le temps  
  - Nos clients sont toujours a la recherche de nouveaux produits  
  - Nos clients sont souvent tres sensibles aux prix mais en d’autres occasions, les prix n’ont pas d’importance  
  - Nous recevons des demandes de produits et servies des clients qui n’en ont jamais achete antérieurement  
  - Les nouveaux clients ont tendance a exprimer des besoins en produits qui sont differents de ceux de nos clients existants  
  - Nous nous occupons de beaucoup plus de clients que nous n’en avions par le passe  
  - La concurrence est tres accrue dans notre industrie  
  - Il y a plusieurs « guerres de promotion » dans notre industrie  
  - Ce qu’un concurrent peut offrir, les autres le peuvent aisement  
  - La concurrence des prix est incontournable dans notre industrie  
  - Il y a de nouveaux mouvements de concurrence presque tous les jours  
  - La technologie evolue tres rapidement dans notre industrie  
  - L’innovation technologique apporte beaucoup de changements dans notre industrie  
  - Il est tres difficile de prevoir la place de la technologie dans notre industrie dans les prochains 2 a 3 ans

| 1 | 2 | 3 | 4 | 5 |
- Un large éventail d'idées de nouveaux produits a été possible à travers le développement technologique dans notre industrie

- Le développement technologique est plutôt mineur dans notre industrie

Merci pour le temps et les efforts consentis

Les résultats de cette étude seront analysés avec ceux des autres Directeurs généraux d'Argentine, Canada, Nouvelle-Zélande, Angleterre, Finlande, Allemagne, Irlande, Suède, Thaïlande et les USA.

Pour plus de détails prenez contact avec M. YAPI, professeur de Marketing, Groupe INSTE
BIBLIOGRAPHY


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