



IDONEITA' LINGUA INGLESE ENGLISH – EM

Master's Degree in Management
Faculty of Economic, Law and Political Sciences
Department of Business and Economics
University of Cagliari

M.Antonieta Marongiu, Ph.D.

marongiuma@unica.it

MARIA ANTONIETTA MARONGIU

RICEVIMENTO: SU TEAMS
VENERDÌ ORE 18:00-19:00

STUDIO 3, 1° PIANO
FACOLTÀ DI SCIENZE ECONOMICHE, GIURIDICHE E POLITICHE
SANT'IGNAZIO, 84 (BIBLIOTECA ECONOMIA)



IDONEITÀ
LINGUA
INGLESE
CdL EM

18 ore
3 cfu

E-mail address: marongiuma@unica.it

Webpage: <http://people.unica.it/mariaantoniettamarongiu/>

IDONEITÀ LINGUA INGLESE

CdL magistrale Economia Manageriale



MONDAY		TUESDAY		WEDNESDAY		THURSDAY	
LESSONS		LESSONS		LESSONS		TUTORATO	
TEAMS		TEAMS		TEAMS		TEAMS	
26 April	18:30-20:00	27 April	18:30-20:00	26 April	18:30-20:00		
3 May	18:30-20:00	4 May	18:30-20:00	5 May	18:30-20:00	6 May	15:00-16:30
10 May	18:30-20:00	11 May	18:30-20:00	12 May	18:30-20:00	13 May	15:00-16:30
				T 19 May	15:00-16:30	20 May	15:00-16:30
				T 26 May	15:00-16:30	27 May	15:00-16:30
		T 1 June	15:00-16:30			3 June	15:00-16:30

Kahoot!

Game PIN

Enter

Unit 2

Working Across Cultures

MARKET LEADER



Business English

Adrian Pilbeam

Working Across Cultures

MARKET LEADER



Business English

Adrian Pilbeam

UNIT 1

Overcoming cultural barriers

This unit considers the cultural issues which can arise when a company starts working internationally.

globalisation
promoting local sensitivities
domestic market exploit brand loyalty
barriers beliefs international market values
cultural issues subsidiary working abroad
marketing advertising trading
domestic saturation

INTERNATIONAL MARKETING

The performance of business activities designed to plan, price, promote, and direct the flow of a company's goods and services to consumers or users in more than one nation for a profit.

Marketers are generally unaware of the foreign environment and therefore have to deep dive into the market where they plan to venture.

BEFORE YOU READ

Discuss these questions.

- 1 What are the main reasons for a company to start looking outside its domestic market?
- 2 What are some of the problems that might arise when marketing and advertising products in different countries?
- 3 What kind of cultural problems can arise when a company starts working internationally?



INTERNATIONAL MARKETING

Potential challenges:

- Competition
- Legal Restraints
- Government Controls
- Varied Consumer Behaviour
- Ecological factors – Weather etc-

In international markets, marketers have to alter their elements of marketing – product, price, promotion, distribution, and research – keeping in mind the uncontrollable elements of the marketplace in a way that marketing objectives are achieved.

READING & UNDERSTANDING

- Promoting /prə'məʊtɪŋ/
- Globalisation /ˌglɒʊ bə lə'zeɪʃən/
- Sensitivities /ˌsɛn sɪ'tɪv ɪ ti /
- Domestic /də'mɛs tɪk /
- Exploit /'ɛk splɔɪt/, /ɪk'splɔɪt/
- Loyalty /'lɔɪ əl ti/
- Barriers /'bær i ərs/
- Beliefs /bɪ'lɪfs/
- Values /'væl yus/
- Issues /'ɪʃ u/ or /'ɪsju:s/
- Subsidiary /səb'sɪd i, ɛr i/
- Abroad /ə'brɔd/
- Trading /treɪdɪŋ/
- Saturation /ˌsætʃ ə'reɪʃən/

Barriers can give a competitive edge



by Morgan Witzel

A Sooner or later, the growing company will reach market saturation in its domestic market, and there will be little choice but to move into overseas markets.

B Most companies, in fact, start dipping their toes into foreign waters long before they reach domestic saturation, to exploit other profitable markets and give themselves experience of working abroad.

C Whether the company is trading abroad or establishing foreign subsidiaries, the issue of national culture assumes great importance. It had been known for years that working across cultures poses special problems, but the work of Geert Hofstede, the Dutch management theorist, in the 1970s and 1980s showed just how diverse and various cultural influences can be.

D Working across a single global company – IBM, a business noted for the uniformity of its corporate culture –

25 Hofstede showed that a huge variety of beliefs and values were present in the workplace, not just between the US, Europe and Asia, but within regions as well.

E Globalisation is said to be leading to cultural convergence but, as Hofstede and many later studies have shown, full convergence is still some way away.

F Companies moving into international markets will usually first feel the effects of culture on their marketing and advertising. Every international marketer has their collection of mistakes, where the values of one culture fail to translate into another. Sales of the Vauxhall Nova in Hispanic-speaking countries, for example, suffered because in Spanish, *no va* means 'won't go'.

G Other failures are more complex and based on deeper cultural divides. Toyota's luxury car, the Lexus, was an immediate hit in the US, where the luxury-car market had been the preserve of a few domestic companies,

and the Lexus offered something appreciably different. The Lexus has been much less successful in Europe, where there is a stronger tradition of luxury car-making and strong loyalty to local brands on the part of their buyers.

H Cultural barriers in marketing can be overcome by repositioning brands, changing advertising and product features to suit local sensitivities and so on. Much more difficult to manage are the cultural differences that arise when companies establish multinational subsidiaries and then expect members of different national cultures to work together. This is especially the case with Western companies establishing subsidiaries in China.

I Chinese workers often prefer strong, directive leadership to the more democratic model now common in the West. They also rely much more on senior managers to sort out problems, including problems in the workers' private lives. Linguistic confusion is also compounded by quite different attitudes to issues such as ethics, reporting and control, and workers' rights and responsibilities.

J What appears to be a barrier, however, can actually be a source of competitive advantage for those companies and managers that learn to work with cultural differences and benefit from them.

K In terms of managing local subsidiaries, some global companies have learnt to adopt best practices from foreign companies and transfer these into the home market. This kind of cross-fertilisation has been taking place between Japanese and Western car-makers for decades, and has led to powerful innovations on both sides.

1. Promoting /prə'məʊtɪŋ/
2. Globalisation /ˌɡləʊ bə lə'zeɪʃən/
3. Sensitivities /ˌsɛn sɪ'tɪv ɪ ti /
4. Domestic /də'mɛs tɪk /
5. Exploit /'ɛk splɔɪt/, /ɪk'splɔɪt/
6. Loyalty /'lɔɪ əl ti/
7. Barriers /'bær i ərs/
8. Beliefs /bɪ'lɪfs/
9. Values /'væl yus/
10. Issues /'ɪʃ u/ or /'ɪsju:s/
11. Subsidiary /səb'sɪd i, ɛr i/
12. Abroad /ə'brɔd/
13. Trading /treɪdɪŋ/
14. Saturation /ˌsætʃ ə'reɪʃən/

10. a) matters, affairs, subjects, themes
3. b) susceptibility, vulnerability, responsiveness
5. c) make the most of, capitalize (on), abuse
9. d) principles, standards, ethics
14. e) impregnation, permeation
6. f) fidelity, allegiance, faithfulness, trustiness
1. g) advertising, publicizing, popularizing
4. h) native, internal, indigenous
13. i) business, commerce, traffic, dealing
2. j) internationalisation, universalization
11. k) subordinate, branch, supplementary
7. l) obstacles, impediments, shields
12. m) overseas, away, to a foreign country
8. n) convictions, ideas, views

VOCABULARY**A Understanding expressions**

Choose the best explanation for each phrase from the article.

- 1 '... will *reach market saturation* ...' (line 2)
 - a) start to lose market share
 - b) stop expanding its market share
- 2 '... start *dipping their toes* into foreign waters ...' (lines 6–7)
 - a) making the first moves
 - b) carrying out test marketing
- 3 '... leading to *cultural convergence* ...' (lines 30–31)
 - a) where everything becomes similar
 - b) where everything changes
- 4 '... will usually first *feel the effects of culture* on ...' (lines 35–36)
 - a) have cultural problems
 - b) be influenced by culture

A Understanding expressions

Choose the best explanation for each phrase from the article.

- 5 '... based on deeper cultural *divides*.' (line 46)
- a) differences
 - b) values
- 6 '... to *suit local sensitivities* ...' (line 61)
- a) adapt to different ways of doing things
 - b) try to change the local customs
- 7 'Linguistic confusion is also *compounded* by ...' (lines 76–77)
- a) made better
 - b) made worse
- 8 '... a source of *competitive advantage* ...' (lines 82–83)
- a) a reason for problems with competitors
 - b) a chance to be better than competitors
- 9 '... to *adopt best practices* from ...' (line 89)
- a) improve by constant practice
 - b) take good ideas from others

INTERNATIONAL MARKETING

Potential challenges:

- Competition
- Legal Restraints
- Government Controls
- Varied Consumer Behaviour
- Ecological factors – Weather etc-

Cultural barriers in marketing can be overcome by:

- repositioning brands,
- changing advertising,
- changing product features to suit local sensitivities.

INTERNATIONAL MARKETING

Potential challenges:

- Competition
- Legal Restraints
- Government Controls
- Varied Consumer Behaviour
- Ecological factors – Weather etc-

Before **McDonalds** entered in **India**, they did an extensive research and tailored the menu for the Indian consumers' taste. They created recipes with Indian spices to match the local taste and avoided beef or pork recipes, which were popular ingredients in other markets, to respect Indian culture. Besides, 40% of the menu was Pure Vegetarian, unlike that of any other overseas market.



B**Word search**

Find words or phrases in the article which fit these meanings.

- 1 markets in foreign countries (paragraph A)
- 2 to use fully so you get as much advantage as possible from it (paragraph B)
- 3 companies that are at least half owned and controlled by another company (paragraph C)
- 4 causes (a problem) (paragraph C)
- 5 ideas that you feel to be true (paragraph D)
- 6 the principles that influence the way of life of a particular group or community (paragraph D)
- 7 place reserved for one special group (paragraph G)
- 8 being faithful to a set of beliefs or a country (paragraph G)

- | | | | | |
|--------------------|---------------|-----------------|-------------------------|-------------------|
| 1. overseas market | 2. to exploit | 3. subsidiaries | 4. poses | 5. beliefs |
| 6. values | 7. Preserve | 8. loyalty | 9. barriers | 10. repositioning |
| 11. establish | 12. directive | 13. To sort out | 14. cross-fertilization | |

C Sentence completion

Use words and phrases from Exercise B in the correct form to complete these sentences. **subsidiaries**

- 1 Multinational companies usually have in many parts of the world. **overseas**
- 2 Some companies are more successful in markets than in their domestic market.
- 3 Having a presence in a market is the best way to it fully. **exploit**
- 4 Sometimes it is necessary to a product or brand in a foreign market in order to avoid offending or confusing people. **reposition**
- 5 To sell products successfully in foreign markets, it is usually necessary to local sales companies. **establish**

READING**A Understanding the main points**

Read the article on the opposite page and say whether these statements are true (T), false (F) or there is not enough information given (N). Identify the part of the article that gives this information.

- 1 Most companies only start working internationally when they have fully exploited their domestic market.
- 2 The best way to enter foreign markets is to set up subsidiaries in those countries.
- 3 Geert Hofstede was the first person to study the impact of culture on working internationally.
- 4 Geert Hofstede found that values and beliefs in different parts of IBM across the world were different.
- 5 The biggest problem when working internationally is getting the marketing right.
- 6 China is the most difficult foreign country for Western companies to do business in.
- 7 Cultural diversity can be a benefit as well as a problem.

READING

A

Understanding the main points

Read the article on the opposite page and say whether these statements are true (T), false (F) or there is not enough information given (N). Identify the part of the article that gives this information.

- | | |
|-------------------------|---|
| 1 F (l.s 6-8) | 1 Most companies only start working internationally when they have fully exploited their domestic market. |
| 2 N | 2 The best way to enter foreign markets is to set up subsidiaries in those countries. |
| 3 F (l.s 15-17) | 3 Geert Hofstede was the first person to study the impact of culture on working internationally. |
| 4 T (l.s 25-27) | 4 Geert Hofstede found that values and beliefs in different parts of IBM across the world were different. |
| 5 F (l.s 62-63) | 5 The biggest problem when working internationally is getting the marketing right. |
| 6 N | 6 China is the most difficult foreign country for Western companies to do business in. |
| 7 T (l.s 81-84 & 91-95) | 7 Cultural diversity can be a benefit as well as a problem. |

READING**B Understanding details**

Read the article again and answer these questions.

- 1 What is Geert Hofstede's nationality?
- 2 When did Hofstede carry out his research at IBM?
- 3 Why was IBM a good company to choose for his research?
- 4 Why was 'Nova' a bad name for a car in Spanish-speaking markets?
- 5 Why was the Lexus luxury car less successful in Europe than in the US?
- 6 What can companies do to be more successful when marketing products internationally?
- 7 Why do Western companies have problems operating in China?
- 8 What are some of the benefits of working across cultures?

B Understanding details

Read the article again and answer these questions.

- 1 What is Geert Hofstede's nationality?
- 2 When did Hofstede carry out his research at IBM?
- 3 Why was IBM a good company to choose for his research?
- 4 Why was 'Nova' a bad name for a car in Spanish-speaking markets?
- 5 Why was the Lexus luxury car less successful in Europe than in the US?
- 6 What can companies do to be more successful when marketing products internationally?
- 7 Why do Western companies have problems operating in China?
- 8 What are some of the benefits of working across cultures?

READING

- B**
- 1 Dutch
 - 2 In the 1970s and 1980s
 - 3 Because it was a large global company with a very strong corporate culture, which might override the local cultures where it operated. Hofstede set out to see if this was true or not.
 - 4 Because in Spanish, *no va* means 'won't go'.
 - 5 Because in Europe, there has been a tradition of luxury car-making, and customers have strong loyalty to local brands. In the US, the Lexus offered something different to domestic models.
 - 6 They can reposition brands, and change the advertising or the product features to suit local sensitivities and expectations.
 - 7 Firstly, because Chinese workers expect to be managed in a strong, authoritarian way, and even expect managers to help them with problems in their private lives. Secondly, there are language problems and different attitudes to ethics, reporting systems and workers' rights.
 - 8 It can give companies extra advantages because of the exchange of ideas, which sometimes leads to innovations.

OVER TO YOU

- 1 What are the positive aspects of working across cultures?
- 2 What are the challenges or difficulties of working across cultures?
- 3 The words in the box are all associated with culture. How would you explain or define each of them?

artefacts assumptions attitudes behaviour beliefs
dress food language norms traditions values

- 4 A common image of culture is that of an iceberg. Look at the photo. Why do you think that is?
- 5 Which of the words in question 3 associated with culture are above the surface of the iceberg of culture and are clearly visible, and which are below the surface and invisible? For those below the surface, how far below the surface do you think they are? Say why.
- 6 What are some of the core values in your culture?
- 7 Some examples are given in the article about brands and products that have not transferred well to overseas markets. Can you think of others?

The iceberg of culture

