Intra-national cultural heterogeneity, acculturation and strategy:

Applying the standardization/adaptation framework

Abstract:

There are several national markets characterized by cultural heterogeneity, which comes as a result of mobile consumers or permanent multiculturalism. In this conceptual paper, we argue that such contexts lend themselves to the application of the standardization versus adaptation discourse in the domestic settings. We develop our argument by revisiting the definitional foundations of standardization and adaptation and employing a key construct from the social psychology literature, namely, acculturation. Based on distinct acculturation modes, we develop propositions on how cultural diversity in a national market may influence firms' strategies towards standardization or adaptation. We conclude by discussing implications of intra-national cultural heterogeneity and avenues for further research.

INTRODUCTION

It is generally recognised that most national environments contain degrees of heterogeneity that marketers should take into account. For example, in several politically defined national entities there are differences with regards to income, gender and even regional diversities (Allenby and Ginter, 1995; Cui and Liu, 2000). More relevant for the purpose of the current paper is the prevalence of cultural diversities within national borders. The literature has long acknowledged the increasing interconnectedness of the world's cultures through various manifestations of cross-cultural flows and/or physical mobility of people (Appadurai, 1990; Berry, 2003; Hannerz, 1990). Within this enhanced scene of cultural interaction, politically defined boundaries do not always coincide with culturally homogeneous societies (Steenkamp, 2001).

Thus, intra-country cultural variations are likely to be important for strategy-making (Lenartowicz, Johnson and White, 2003; Poulis and Yamin, 2009; Seggie and Griffith, 2008). International business and marketing scholars have recently pointed out to the importance of intra-country cultural differences and domestic heterogeneity (Burton, 2002; Lenartowicz, Johnson and White, 2003; Lenartowicz and Roth, 2001; Seggie and Griffith, 2008; Steenkamp, 2001) and have called for further research with regards to sub-cultures/cultural groupings. Paralleling this, there are a number of studies focusing on particular sub-groups or cultures. For example, there are a number of studies dealing with issues in the so-called 'black marketing' (Lamont and Molnar, 2001), 'Hispanic marketing' (Stevenson and Plath, 2006) or overall 'ethnic marketing' (Altinay and Altinay, 2008).

However, the approach adopted in such 'ethnic' studies is to treat the cultural group as almost an isolated segment, focusing on the distinctive features of e.g. Afro-Americans as a market segment and the implications thereof for marketing responses. 'Many firms today treat ethnic minorities as distinctive market segments apart from the overall population' (Cui and Choudhury, 2002, p. 54). Paralleling this type of firm behaviour, a number of researchers advocate differentiated strategies that treat minorities 'as *distinctive* segments and recommend targeted marketing to reach

various ethnic consumer groups' (Cui and Choudhury, 2002, p. 56). Therefore, a basic premise in many such studies is that ethnic minorities are isolated from the overall market and have in effect treated observed differences in terms of particular ethnic identification of minority consumers (Cui, 2001).

This approach has much to recommend for firms or businesses that may have a niche strategy of focusing/targeting specific segments in a given country. However, many firms, especially larger ones, would have a broader horizon incorporating many different cultural segments. In the context of the latter group of firms, an analytically (and empirically) important question is whether or to what degree the various cultural groupings within the national boundary that are in the marketing 'preview' or horizon of these firms can be treated on a common, standardised basis as this will likely have cost saving advantages arising from adopting a shared product 'platform' and/or shared promotional approach across the cultural subgroups. Potential cost advantages of a common approach would, of course, be evaluated against perceived disadvantages arising for disregarding cultural heterogeneities. In other words, for firms with broad marketing horizons the issue is one of standardisation or adaptation (SA). Furthermore, it is arguable that the approach used in the 'ethnic' studies (refereed to above), is in effect a special case of the SA approach in which firms opt for an 'extreme' adaptation of the offering for a specific group (Keegan, 1969; Poulis, 2008). Viewed in this light, the standardisation versus adaptation decision can be couched in terms of a decision relating to 'degrees' of adaptation (Cavusgil and Zou, 1994). We will revisit this point in the section of the paper focusing on proposition formulation.

To our knowledge, applications of the SA perspective to the study of intra-country cultural diversity have not been extensive in prior literature. In fact, we have been able to identify only two papers that specifically apply the SA framework in the domestic context, namely Cui (1997) and Chung and Wang (2006). We believe that this issue is worthy of further study because intra-country cultural variation engenders many challenges and threats (as well as opportunities) for firms. Studies such as Cui's (1997) and Chung and Wang's (2006) show that using the 'national market' as the unit of analysis may make firms vulnerable to contextual (sub-national) idiosyncrasies within countries and research that ignores intra-country cultural variation can result

'in erroneous nonsignificant findings' (Lenartowicz, Johnson and White, 2003, p. 999). More specifically, if practitioners/researchers ignore significant within-country variations, opportunities for standardization may be bypassed or threats from non-adaptation may not be appreciated. In either case, researchers and/or practitioners who have a fragmented –and not holistic- view on multi-cultural markets neglect cultural determinants that should be taken into consideration

The purpose of this paper is to address this gap in the literature. Specifically, we wish to shed more light on the strategies of firms that see the overall market and its sub-cultures in an integrated fashion. Thus, the focus is on firms' alternatives when confronted with marketing significant[i] cultural diversities within the national environments they operate. The paper will apply the conceptual backbone of international marketing, namely SA to explore the choices of such firms i.e. to better understand how marketing strategies encompassing intra-national cultural diversities might fall either towards S or A.

It must be noted that our aim is not to explain all factors that may collectively determine the SA decision, but specifically to limit the analysis to examining the influence of the cultural dimension on the SA decisions in the context of intra–country cultural diversity. The distinctive feature of intra-country cultural diversity, as compared to inter-country cultural diversity is that in the former context the possibilities of interactions (or even mixing) between the cultural groups are greater being an ongoing and permanent process. In the inter-country context, too, there is a degree of cultural interaction, due largely to the influence of globalisation and increasing mobility of peoples. However, compared to the intra-country context these interactions are usually of shorter duration and hence have a weaker impact. In this paper, we examine the interaction between cultural groups within the same country through the 'acculturation' theoretical lens with a view to drawing implications for exploring how the various acculturation processes may favour the adoption of either S or A strategies for serving markets across the intra-country cultural divides.

The remainder of the paper is structured as follows. Section II explains the pattern of intra-national diversities in order to clarify the focus and the objective of the paper. Section III explains what we see as the possible structure of acculturation in intra

country contexts. This structure reflects how members of cultural groups view their 'ancestral' and 'host' cultures. Section IV derives a number of propositions relating to the SA strategies. Section V concludes the paper with implications for further research.

PATTERNS OF INTRA-NATIONAL CULTURAL HETEROGENEITY: IDENTIFYING THE FOCUS OF THE PAPER

Intra – country cultural diversity can take a number of different forms, resulting in several domestic contexts where one can identify managerially 'promising' numbers of consumers beyond the 'dominant' ethnic population (Berry, 1997; Appadurai, 1990). Some types of diversity essentially stem from the mobility of people across borders whereas others reflect diversity of 'settled' or permanent populations within a country. We briefly consider these types of diversities below:

1. *Racial minorities* (e.g. China or India)

Chung and Wang (2006) have recently adopted a city/market framework and investigated the multicultural urban areas of China. China was approached by authors as a cultural palimpsest in which different, settled racial communities share a common nationality. Indeed, a brief look in the racial synthesis of countries (e.g. in CIA's World Factbook) reveals an impressive array of cultures that are engendered in the vast majority of national contexts around the world.

2. *Immigration* (e.g. the melting-pot of the U.S.)

'As a result of immigration, many societies become *culturally plural*' (Berry, 1997, p.8). In this respect, marketing scholars such as Cui and Choudhury (2002) or Cui (2001) have stressed the effect of sub-cultures within a national context and the need for further research around ethnic minorities that come as a result of immigration. Moreover, there is an increasing focus of leading business journals on the phenomenon of ethnic entrepreneurship (Tsui-Auch, 2005; Fairchild, 2008), which is

another manifestation of the impact/role of immigrant communities within nationally defined borders.

3. *Expatriate professionals* (e.g. Singapore or Dubai)

Authors such as Stahl, Miller and Tung (2002) or Bjorkman and Lu (1999) have generated a large body of knowledge around expatriate professionals. A varied range of themes have been researched including such dimensions as performance implications for firms and professionals or the effect of expatriation on personal and professional development of employees.

4. *International Students* (e.g. the UK)

A number of studies focus on the needs (e.g. Kashima and Loh, 2006) or performance implications (e.g. Van Oudenhoven and Van der Zee, 2002) of international students. Contexts such as the U.S. or the U.K. attract a significant number of students from diverse national backgrounds which altogether create a mosaic of nationalities in their countries of study.

5. *International Tourists* (e.g. Greece, Spain or Portugal)

Extreme within-country multi-culturalism as a result of international tourism can be witnessed in several countries such as Spain, Portugal, Turkey, France, Greece, Italy, Croatia, Egypt, Mexico, Thailand, Switzerland, Austria. In several of these countries, tourists collectively and in absolute terms exceed domestic consumers by large margins. Research has shown that this phenomenal growth of markets and the cultural variation of the consumer base that is generated have subsequent implications for multinational and local firms operating in these markets (e.g. Poulis and Yamin, 2009).

We are not claiming to be equally informing on all the aforementioned forces that generate multiculturalism in a single market. For example, markets with temporary forms of multiculturalism (as a result of international tourists, international students or even temporary expatriate professionals) present idiosyncratic characteristics that

distinguish them from markets characterised by permanent sources of multiculturalism (as a result of e.g. settled immigrant communities). Our focus is specifically on the latter context. Steenkamp (2001 p. 38) notes that '*acculturation to another culture is most compelling in the case of actual migration but also occurs through other forms of cross-cultural contact*' such as tourism. We acknowledge the importance of all aforementioned forms of cultural contact in a single country. However, our arguments tend to be more relevant for contexts with *permanent* multicultural identities where acculturation works out as a major driving force of cultural processes and as a catalyst for firms' strategy.

Significantly, the notion of acculturation may not be as forceful in a temporary multicultural context such as those induced by foreign tourists or students. Thus, even though the occurrences of interaction between individuals of diverse cultural backgrounds may be extremely high in tourism-oriented markets such as Spain or Portugal, nevertheless, the temporary stay (and the short duration) of tourists in a destination does not necessarily generate strong or stable patterns of acculturation.

PATTERNS OF ACCULTURATION: APPLYING THE SA FRAMEWORK IN SINGLE, MULTICULTURAL CONTEXTS

The focus of this paper is on the subcultures that can be identified within national boundaries. As far as these subcultures is concerned, key authors in the field have stressed their importance and called for more understanding of how individuals from diverse cultural backgrounds define the nature and structure of markets. For example, Lenartowicz, Johnson and White (2003) demonstrated that the 'country' cannot be equated with 'culture' by international management researchers/ practitioners since this implies a total disregard for regional subcultures and intra-country cultural variation that can be identified across the world. In particular, they drew upon anthropological and sociological literatures and verified the plausibility of these arguments and the importance of intra-country subcultures in six locations in Latin America. Moreover, Steenkamp (2001) theoretically noted the importance of within-country cultural heterogeneity. He claims that as societies become less homogeneous

due to e.g. migration, we must acknowledge a new synthesis of patterns of behaviour induced by language, ethnic or religious differences.

Within this discussion, a particular area that deserves more attention is the field of acculturation i.e. '*the process of culture change and adaptation that occurs when individuals from different cultures come into contact*' (Gibson, 2001, p. 19). According to Steenkamp (2001, p. 38), '*understanding acculturation processes is more important than ever*' for business-related investigations. This construct, which occupies a significant position in the social psychology field, is studied for many decades already and several authors have offered models that describe its processes.

Some early works such as Gordon's (1964) primarily perceived acculturation as a linear progression from arrival to assimilation with the host culture. Therefore, in the early years of the development of the construct, one could witness a mistreatment of the meaning of the concept '*so that it became synonymous with assimilation*' (Berry, 1997, p. 7). In later years, though, this 'traditional model of linear acculturation and assimilation' (Gibson, 2001, p. 20) was challenged by works such as Wallendorf and Reilly's (1983) or Jun, Ball and Gentry's (1993) which objected the exclusive association of the construct with assimilation. Therefore, a major turning point in the discourse around the construct has been the abandonment of the idea that cultural groups will eventually be assimilated by the society in which they reside (Gibson, 2001; Berry, 1997). Instead, acculturation was seen as a non-linear, U-shaped process that includes additional or intermediate phases (Seenkamp, 2001; Gibson, 2001). For example, Jun, Ball and Gentry (1993) have utilised such terms as 'honeymoon', 'rejection' and 'stability' in a dynamic, cyclical fashion in order to showcase the different phases of acculturation that can be identified in a multi-cultural society.

As the field matured, the basic concept of acculturation was extended. Portes and Rumbaut (1996) and Gibson (2001) employed notions such as 'additive acculturation' or 'selective assimilation' in order to reflect the many layers engendered in the broader concept of acculturation and offered additional models that describe contrasting acculturation patterns. Thus, we now witness a narrowing down of the focus on the construct through a context and group-specific lens. Scholars such as Berry et al. (2006) or Kashima and Loh (2006) identified acculturation patterns which

are unique to societal segments such as immigrant youth and international students respectively. Therefore, recent contributions in the field show that contextual and structural factors make the acculturation process much more complex than just a sole road towards eventual assimilation.

Within this acculturation research realm, one of the most (if not the most) cited and comprehensive and influential models is found in Berry (1997), Berry, Trimble and Olmedo (1986) and Berry (2003). This model which has dominated the field for more than two decades depicts *how* cultural groups acculturate in a culturally plural society. In the model, the acculturation process engenders either positive or negative affective stances with respect to 'ancestral' and 'host' cultures. Affective stance with respect to ancestral culture is reflected in *cultural maintenance* i.e. to what extent cultural identity is important and must be maintained. Affective stance with respect to the host culture is reflected in *contact and participation* i.e. to what extent involvement with other cultural groups must be attempted.

Thus, the model has two dimensions whose configuration leads to a taxonomy of acculturation outcomes that can be identified in single country, multicultural contexts such as the U.S. The first dimension captures the extent to which (or whether) individuals remain attached to their ancestral culture and choose to preserve it while the second dimension captures the extent to which (or whether) individuals are eager to embrace the host culture. Table 1, adapted from the work of aforementioned authors, illustrates the four acculturation modes that these authors have identified.

TABLE 1: MODES OF ACCULTURATION

		Attitude towards ancestral culture	
		Positive	**Negative**
Attitude towards host culture	**Positive**	*integration*	*assimilation*
	Negative	*separation*	*marginalisation*

In the table, the four modes are the following:

- *integration* comes into play whenever the individuals both maintain their ancestral culture and participate eagerly in the host culture
- *assimilation* takes place whenever ancestral culture is rejected and an active engagement with the host culture is attempted at the same time
- *separation* describes the process through which individuals preserve their ancestral cultural identity and simultaneously are not keen on engaging with the host culture
- *marginalization* refers to the case when both the ancestral and host cultures are rejected by the individuals.

The aforementioned model of acculturation has been employed theoretically or empirically in both the marketing (Steenkamp, 2001) and the strategic management literature (Nahavandi and Malekzadeh, 1988) providing significant insights. The latter authors have utilised the construct in the context of mergers and acquisitions with an aim to explore the effect of acculturation outcomes on the implementation of the merger while Steenkamp (2001) theoretically stressed the importance of acculturation for marketing research.

This paper applies the above acculturation schema as the platform upon which we will try to showcase that the SA framework can be applied in a domestic setting. Based on this transferability of a core international marketing tool to mainline marketing strategy, we develop propositions that aim to illustrate the effect of intra-national cultural heterogeneity on firms' SA strategies.

APPLYING THE SA FRAMEWORK: PROPOSITIONS

The SA framework has been most fully developed in the context of international marketing and constitutes its conceptual backbone. However, the preceding discussion shows us that there is an inevitable tension between standardization and adaptation within marketing, whether domestically or internationally. The fact that consumers have different preferences and given marketing's commitment to customer satisfaction, implies a pressure toward adaptation (or even the customization of the offering to individuals or small groups). The evolution of marketing from "mass" to "target" marketing reflects this tension.

However, it is recognized that the tension between standardization and adaptation has been much more salient in the context of international marketing as the potential for economic benefits from standardizing across countries could be very substantial while the diversities may be very great due to significant differences in culture and other environmental conditions between countries. However, the SA framework is not necessarily unique to an international or cross border context. It is significant that one major plank in the SA literature has revolved around the issue of consumer homogeneity/heterogeneity (Levitt, 1983; Ryans, Griffith and White, 2003; Samiee and Roth, 1992; Walters, 1986; Zou and Cavusgil, 2002). Therefore, the focal element of any definitional attempt has always been the consumer/user. Of course, the focus on the consumer/user does not imply that this is the only driving force behind standardization/adaptation decisions. Additional considerations such as competitive pressures or organizational facilitators/inhibitors may arise. However, the centrality of consumer homogeneity/heterogeneity is largely considered as SA's theoretical foundation (Viswanathan and Dickson, 2007). It is therefore legitimate to apply the SA framework to a domestic framework as long as the intra-country diversities are strong with clear implications for consumers' buying behaviour and consequently, for firms' strategy.

The straightforward, yet compelling logic of the SA schema has been utilised by only a limited number of researchers in order to explore SA strategies in domestic contexts

characterised by cultural diversity (Chung and Wang, 2006; Cui, 1997 and Poulis, 2008). For example, Cui (1997) uses the SA framework to explore alternative marketing strategies of consumer goods firms operating in the single but multi-ethnic market of U.S.A. (as a result of immigration), Chung and Wang (2006) recently considered the multi-cultural cities of China and applied the SA framework in the services sector across culturally diverse Chinese cities and Poulis (2008) used the SA framework to portray product and promotion strategies of fast-moving consumer goods firms across the locals and millions of tourists/consumers of various nationalities visiting Greece per annum.

These authors point out that "the same framework of standardization vs. customization can be applied to marketing to consumers of different ethnic cultures in the domestic market" (Cui, 1997, p.125). Such markets are "…a small scale model *of the global market*" (Cui, 1997, p.125) in which, similarity of the marketing offering to all consumers denotes standardization whereas different strategies among ethnic segments denote adaptation. Therefore, authors such as Cui (1997) or Chung and Wang (2006) stressed the need for further research around "*ethnic marketing*" (Cui, p.122), i.e. localized, 'international' marketing actions directed towards people with diverse cultural backgrounds (Poulis, 2008).

In our effort to synthesize such studies and offer a conceptual umbrella that provides guidance for similar investigations, we adopt the following definitions:

- ***Standardisation*** *in a domestic context characterized by cultural heterogeneity denotes offering the same product through the same promotional means to different cultural groupings in the same national boundary*

- ***Adaptation*** *in a domestic context characterized by cultural heterogeneity denotes offering distinct products with distinct promotional vehicles to distinct cultural groupings in the same national boundary*

Elaborating on these definitions that highlight the relevance of SA for domestic activities of firms, this paper claims that the SA schema can be particularly helpful for

mainstream strategy and marketing researches; it provides a conceptual umbrella under which we can, for example, explore:

- standardized marketing strategies addressing to all consumers at large (e.g. Anglo-Americans, Afro-Americans, Hispanic Americans etc. wanting the same things in the U.S. market) or adapted strategies distinguishing between ethnic segments (e.g. Afro-Americans having different needs to Hispanic Americans in the U.S.).

- in the strategic management front, e.g. standardized price-based competitive strategies by a beer seller towards all tourists in Spain can be fittingly portrayed under the SA conceptual umbrella whereas adapted differentiation-based strategies by an ice-cream seller to Northern Europeans as opposed to South European tourists visiting Portugal can be also operationalized along the SA continuum.

We couch our propositions only in terms of product and promotion strategies. Price and distributions strategies fall outside the scope of the present paper. Price strategies largely reflect the distribution of disposable incomes -something on which the analysis of this paper cannot inform- whilst distributing strategies are mostly influenced by existing marketing/distribution infrastructure within the country that the individual firm has to treat as given. Thus, the focus is on the more controllable elements of the marketing mix, namely product and promotion.

The acculturation framework described in the previous section is very helpful to understanding the influence of intra-country cultural differences on SA strategies of firms marketing their offerings to multicultural groups. However, in order to derive general propositions it is necessary to assume that most cultural groupings within a given national boundary have a similar acculturation outcome. In other words, deriving propositions about the impact of acculturation on SA strategies entails a more fundamental assumption about the national cultural context. For example, if we assume the USA as a national environment is akin to 'melting pot', this suggests that the pattern of acculturation for most immigrant populations in the USA conforms to 'assimilation'; whilst if (culturally) the US national environment is one best described as a 'fruit salad', this is likely to connate an 'integration' outcome. The point is that a

national context, itself shaped by historical and institutional factors– is critical in driving the acculturation process (Freedman, 2001). France, for example, appears to be a distinctively different environment from the US. In the former country, the acculturation process appears to be institutionally 'biased' towards an assimilation outcome.

Given the above proviso, the implications of the acculturation configurations are fairly straight forward. Thus, clearly, if all cultural groups in a country tend towards either an integration or assimilation stance the implications favour a policy of standardisation:

Proposition 1: *When cultural groupings in a national market have an integration stance, the strategy of the firm will be towards product/promotion standardization across cultural groupings*

Proposition 2: *When cultural groupings in a national market have an assimilation stance, the strategy of the firm will be towards product/promotion standardization across cultural groupings*

On the other hand, if the outcome of the acculturation process is one best characterised by 'separation' then clearly a policy of adaptation is favoured:

Proposition 3: *When cultural groupings in a national market have a separation stance, the strategy of the firm will be towards product/promotion adaptation across cultural groupings*

Finally, when the outcome of acculturation is one of marginalisation, firms are unlikely to find a cultural basis for appealing to all cultures in a common way (standardization) or on an ethnic-specific basis (adaptation). This does not necessarily mean that firms will not choose a policy of standardisation or adaptation as there may be other non-cultural bases on which to ground the firms' strategy. However, culture is not an obvious or a compelling basis for marketing strategy in this case:

Proposition 4: *When cultural groupings in a national market have a marginalisation stance, the product/promotion strategy of the firm will be driven by non-cultural considerations*

As we noted in the introduction, the niche approach entailed in 'ethnic' marketing approach (e.g. offering dedicated products to particular ethnic or cultural groups) can be viewed as an extreme form of adaptation. Adopting Keegan's (1969) multinational product strategy classification we can distinguish three broad categories namely 'extension'; 'modification' and 'invention'. In this categorization, 'extension' corresponds to standardization while 'modification' is essentially what is commonly understood as adaptation; 'invention' is '*the development of an entirely new product designed to satisfy the identified need*' (Keegan, 1969, p.60). This classification is relevant to the present context. Broadly, firms adopting the SA approach to intra-country cross cultural marketing base their decisions on the perceived trade off between 'extension' and 'modification' whilst firms adopting a niche marketing stance can be seen as adopting an 'invention' strategy.

Applying the acculturation typology suggested in table 2, it is possible to surmise whether firms operating with an SA strategy may have or may lack a competitive advantage compared to firms operating with a niche or 'invention' strategy. Firms operating with an invention strategy are likely to obtain, *ceteris paribus* a higher degree of customer satisfaction to the extent their inventions match tightly with the idiosyncratic needs of particular cultural groups (Yamin and Altunisik, 2003). However it seems reasonable to assume that the 'invention' offering will engender a higher degree of satisfaction when the acculturation process leads to a 'separation' stance than it would when the acculturation is either 'integration' or 'assimilation'. In the latter two instances, customers are likely to display a more homogenous pattern of preferences compared to the former case and a corresponding dilution of customer benefits arising from high degrees of adaptation. Adding the consideration that firms adopting the SA approach will enjoy some scale benefits absent in the 'niche ' strategy we can put forward the following proposition:

Proposition 5: *Firms operating with an SA strategy are more likely to have a competitive advantage over firms with a niche or 'invention' strategy when cultural groupings display either integration or assimilation stances*

However, if cultural groups display a separation stance then firms operating with niche or invention strategy may well be able to compete with firms of a broader (SA) competitive scope. This is because the former will be benefiting from higher levels of customer satisfaction and thus, loyalty that their customers are likely to display.

Proposition 6: *When cultural groupings display separation attitudes, firms with a niche strategy in ethnic segments will have a competitive advantage over firms operating with an SA strategy in these segments*

CONTRIBUTION, LIMITATIONS AND FURTHER RESEARCH

Consumer homogeneity/heterogeneity is the central axis around which SA decisions are designed and implemented (Ryans, Griffith and White, 2003; Viswanathan and Dickson, 2007). Thus, *standardization* and *adaptation* can be seen as the metaphors for the domestic implementation of the *same* or *different* strategies respectively. This conceptual paper's effort was to build on this conceptual foundation of the SA literature and stress the need for business research and practice to pay greater attention to a consumer and culture–related phenomenon which affects organizations all over the world and is predicted to affect them even more; this is the phenomenon of *intra-national cultural heterogeneity*.

The international marketing literature has a profound focus on inter-national differences, in which the SA schema occupies a central position. This article aimed to contribute conceptually by stressing that intra-country differences can provide the platform for an extension of the application of the SA schema to investigating national but multicultural contexts that resemble international arenas. Such an 'exportation' of the core construct of international marketing to fields such as mainstream marketing or strategic management inverts a typical accusation against international marketing i.e. that international marketing researchers typically borrow

conceptual theories from the management and strategy literature (Kotabe, 2001). Rather in this case, it is international marketing that provides conceptual tools to other disciplines and thus, it 'lends' the value of its conceptual backbone to fields such as strategy or marketing. This may be proven to be a particularly fruitful avenue in the long-run since researches in international marketing '*do not appear to have affected the direction of management and strategy research in any significant way*' (Kotabe, 2001, p. 468).

Additionally, we believe that we contributed to the re-appraisal of the SA construct, a need which was recently addressed by senior scholars in the field of international business (Buckley, 2002) and international marketing (Cavusgil, Deligonul and Yaprak, 2005). This re-appraisal seems to emerge as an imperative given the '*local anomalies or differences'* (Craig and Douglas, 2001 p.86) that stem from differences in the socio-cultural contexts of consumption and from sub-national, cultural idiosyncrasies. Thus, there is a need for researchers to '*tailor research questions and adapt research instruments... to different environments*' since constructs or definitions do not have universal, across-contexts applicability and context-sensitive reformulation is required to ensure meaningful results (Craig and Douglas, 2001, p.85). We hope that the 'adapted' version of SA that the present paper attempted manages to address some of the concerns highlighted by aforementioned key authors.

At this stage, we have to acknowledge the limitations of the paper. First of all, this is a conceptual effort that would be largely benefited if backed up by real-life data from firms operating in multicultural contexts. The propositions that have been developed may be founded on logical arguments but nevertheless, they are not empirically substantiated. Moreover, our study brings forth the relevance of cultural idiosyncrasies in marketing decisions (de Mooij and Hofstede, 2002; Littler and Schlieper, 1995) but we have to acknowledge that culture is just one of the forces that determine actual strategies by firms. For example, strategy is heavily informed and guided by cost considerations. Thus, promises for cost efficiencies through economies of scale (primarily associated with standardization) may feature as stronger determinants of action for respective firms where culture plays less important role. Additionally, we must acknowledge that culture has multiple layers (Triandis, 2004). For example, there is a youth culture which increasingly drives towards

homogenization of preferences in many national contexts. Thus, we must clarify that our discussion of culture is limited to non-societal elements of culture i.e. is not pre-occupied with cultures related to e.g. age, gender or sexual preferences.

With regards to future research, it is the will of the authors to proceed to further conceptual advancement that was not possible to be grasped in the current paper. Specifically, we aim to contribute on *how intra-national cultural heterogeneity affects the decisions of the international firm that aspires to market its products to culturally diverse countries*. We believe that it is worthwile to incorporate such a dimension in the screening and analysis of international markets; international marketing researchers could see intra-country cultural heterogeneity as one more independent variable to consider in international marketing investigations. A relevant question that can be further examined is the following:

Is it worthwhile to more fully consider the multicultural character of local markets in order to assess the desirability or feasibility of international marketing strategies ?

Several studies suggest that it is a critical issue for firms' domestic (Chung and Wang, 2006) and outward/inward international operations (Poulis and Yamin, 2009; Seggie and Griffith, 2008). Such implications for international marketing may be particularly significant since the issue of cultural diversity within given contexts gains saliency and thus, using the 'national market' as the unit of analysis may make firms vulnerable to cultural idiosyncrasies within countries (Craig and Douglas, 2001; Lenartowicz, Johnson and White, 2003).

Such a focus will also put the consumer at the centre of the SA discourse. Paradoxically, there is still a scarcity in empirical evidence regarding the particular effect of customer dissimilarities and cultural preferences on SA decisions (Chung, 2003; Theodosiou and Leonidou, 2003) whereas marketing research around the issue of multiculturalism is underdeveloped and undertheorised (Burton, 2002). The role of national, cultural and consumer differences may have a theoretically prominent and omnipresent position in the standardization/adaptation literature (e.g. Akaah, 1991; de Mooij, 2000; Whitelock and Pimblett, 1997) -since, as shown above, they constitute SA's central point- but '*such factors as cultural environment, consumer behavior...*

have yet to be conclusively agreed on in the empirical literature' (Chung, 2003, p.49). Notable examples of empirical studies on the relationship between culture and aspects of SA can be mentioned (e.g. Griffith, Hu and Ryans, 2000) but empirical investigations are nevertheless limited. Thus, any study that investigates consumer heterogeneity from an international marketing perspective and addresses issues of multiculturalism in single contexts is useful for the field.

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