Strangers in strange lands

Hypermarkets and Chinese consumer culture misalignment

Clyde A. Warden
National Chung Hsing University
James Stanworth
National Changhua University of Education
Judy F. Chen
Overseas Chinese University
Stephen Chi-Tsun Huang
National Khaosiung First University of Science and Technology

Western retailers find alignment with consumers in Greater China challenging. Managers struggle to understand local retail values, especially where quantitative marketing research obfuscates meanings behind overly simplified constructs – lacking richness that is key to alignment. As researchers embedded in a distant indigenous culture, we use an interpretive research design, drawing on longitudinal data collected over a six-year period, to reveal multiple lenses of local realities, giving a perspective on international retailers' misalignment. The multi-method approach integrates ethnography, interviews, participant observations, videography and extended data in podcasts. We show how everyday products can be purely functional (global) at one time but embedded with symbolic meaning (local) at another, thereby confounding international retailers and researchers. Managers and researchers tend to reduce the legitimacy of meanings that differ from the values and beliefs of their existing (home/local) paradigm. We present a conceptual model that clarifies the marketing metaphor of 'alignment' for retailers targeting Far East Asian markets.

So much to grok, so little to grok from.

(*Stranger in a Strange Land*, Robert A. Heinlein, 1987)

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Introduction

Few western retailers, attempting to enter East Asian markets, are unaware of the need for localised approaches (Evans *et al.* 2000; Chen 2004). Despite this, many firms find success in the East Asian region elusive: six leading international retailers, for example, exited Taiwan during the six-year period of this study, while Wal-Mart gave up in Korea, and both Tesco and Carrefour retreated from Japan (Sato 2004; Haddock-Fraser *et al.* 2009; Wood 2011).

Embedded in a Chinese cultural setting for over two decades, local experience shows us that western retailers are often unable to *grok* (deeply understand) the importance of indigenous values, while quantitative research methods overlook important variables in favour of applying familiar reductionist approaches that supply simple and easy to digest data sets (regardless of local complexity). Most importantly, the very idea of what is local and valued locally can be, and often is, contested. This psychic distance between cultures hinders managers and researchers from gaining understanding of their foreign (local) markets (Evans *et al*. 2000), where values can differ from what a firm assumes as normal in the West (Humphrey 2007). Business culture influences assumptions of existing capabilities and competencies so that options are limited to those fitting previous successes (Ellson 2004). If a new market's milieu does not match previous contexts, what was a competitive advantage can quickly be turned into a disadvantage.

Lack of self-awareness can lead to poor strategic positioning for a firm and a negative cycle of increasingly insulated decisions. An insufficient understanding of local values compounds the problem so that management decisions are out of touch with indigenous consumer norms. Such blind spots sink retail efforts, without managers even being aware of issues.

In this paper, we document six years of deep observation of three contrasting market orientations. Through a rich ethnographic narrative, we show how deep local knowledge surfaces problems important for retailers and researchers who struggle with local meaning and require nuanced datasets. Avoiding universal rules and generalisations, we propose a conceptual model that extends the metaphor of market alignment to help managers and researchers raise awareness and frame their efforts.

Global retail – local consumer

The hypermarket retail format diffuses globally, even though few retail items are as valued at the cultural (local) and individual level as the very food consumers put in to their mouths. What on the surface appears a victory for a globalised strategy is much more complex when viewed closer. Hino (2011) points out that upwards of 70% of Muslims worldwide follow halal prescriptions that include fresh stipulations, splitting shopping between traditional formats for fresh food and super/hypermarket formats for non-perishables. Malaysian shoppers also tend to split shopping (Chamhuri & Batt 2009). In Japan, perishables are purchased from small proximal retailers and non-perishables from a range of speciality retailers, leaving little room for western hypermarket retailer positioning (Sato 2004; Haddock-Fraser *et al*. 2009).

In 2011, Tesco exited Japan, after an eight-year effort. Carrefour exited Japan in 2005, after five years. Carrefour, in Japan, executed its hybrid localisation model, the same one that was observed in this study, where it promptly backfired. The Japanese mature hypermarket environment required exotic imports, not localisation (Baek 2005). There are no easy answers (Burt *et al*. 2008). Marketing researchers are at risk of missing the richness of the complexity of the consumer (Ardley 2008) if we rely on law-like constructs.

Tesco entered Taiwan in 1998, and had opened five stores by mid-2006. During the same eight-year period, Carrefour expanded from 22 stores to 38. RT-Mart, the indigenous competitor, opened in 1996, and had 25 stores by 2005. The positioning of these three retailers is substantially different, with RT-Mart representing a very local flavour of shopping, close to a wet market format, with almost all locally sourced products (see Figure 1). Tesco emphasises cleanliness, organisation and high levels of service, with a large selection of imported products (including many from

Figure 1 RT-Mart's wet market metaphor

its UK store brands). Carrefour is a hybrid, more organised and decorated than RT-Mart, but less so than Tesco.

All food-related shopping in the Greater China region takes its cue from the wet market: open sides lit with naked light bulbs and cooled with fans in the roof. These markets contain numerous vendors, with produce in piles on display trays, delivery baskets and crates. Customers have narrow aisles to ease through past sellers yelling promotions or bargaining. First-time foreign visitors often observe that it is dirty, messy and chaotic. This impression leads marketers to assume that consumers wish to migrate to western-style hypermarket formats (Trappey 1997). The wet market has enduring associations for Chinese customers that limit migration (Goldman *et al.* 1999, 2002). Their expression of preference is clear: wet market sales of $14 billion against hypermarkets' sales of $4 billion in Taiwan (Hsueh 2005). Taiwan consumers continue shopping in wet markets, rather than supermarkets, for daily food consumption, as do Beijing (Mai & Zhao 2004) and Shanghai shoppers (Goldman 2000).

Methodology

Reductionist market research, both academic and firm driven, is often inadequate in capturing rich and deep issues (Burt *et al*. 2008). A growing critical analysis of the field of marketing research points to an existing culture that needs reflexivity (Burton 2001; Finlay 2005) in order to avoid being trapped in dogma that is not aligned with reality (Gummesson 2001). Yaprak (2008) points out the importance of including local researchers in order to avoid dominant and culturally influenced theory from being applied inappropriately, which can hinder locally significant variables from surfacing. Examining specific consumer circumstances can discover the extent to which culture matters and how it is actionable in specific situations (Leung *et al*. 2005).

This paper draws on the narrative voice of embedded researchers who through a research process become active participants in developing a gestalt of retail reality in a Chinese consumer setting (see Figure 2). Embedded researchers have the capacity to combine multiple perspectives across geographic and social environments. In such a role, the researcher can move fluidly from one site to another, from one group to another, from one level of analysis to another. This allows engagement as a didactic actor in the field of play (Jenness 2010). As our narrative unfolds it is reflexive in that it draws on 'ways of seeing which act back on and reflect existing ways of seeing' to enable us to have the 'possibilities of understanding

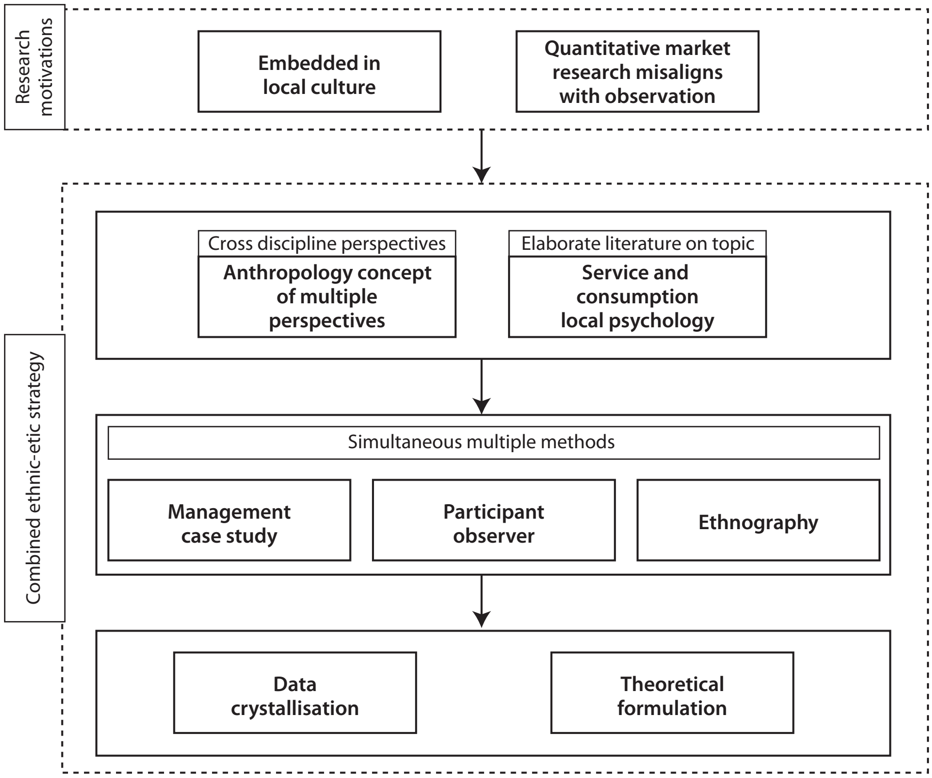


Figure 2 Overall multiple methods approach

action within these contested terrains' (Clegg *et al.* 1996, pp. 4–5). Our personal experiences, as embedded researchers, supply rich observations of consumers, retail settings and service issues that are partially documented through videography and other media artefacts (http://ccc.qbook.tv).

A process of cycling among literature, theory, local observation, history and other diverse sources, results in the emic aim through a naturalistic, interpretivist focus on consumer culture theory (Arnould & Thompson 2005). Multiple views combine to emphasise intersubjectivity in ways that fit the local context (Seale 1999). The current research combines multiple methods over a six-year period in a series of studies that take us from the etic and functional to the emic symbolic and deep meanings in retail.

We use ethnography as a strategy of naturalistic inquiry to engage with activities of daily life that explain consumers' explicit and tacit consumption behaviours in a retail context (Brewer 2004). This approach develops deep naturalistic insights of otherwise inaccessible culturally construed phenomenon (Atkinson & Hammersley 1994). As we engage, over multiple years and contexts, our data crystallise.

Retail managers' stories

We interview managers from all three hypermarket formats (Carrefour, RT-Mart and Tesco), accessing both middle and top-level managers, establishing relationships over a number of years. Early on, a Carrefour manager reports fresh food as under-performing and an ongoing problem. To better understand the context of fresh, important to Chinese consumers (Wang *et al.* 2004), the lead researcher embeds himself in the local food culture, including attending cooking lessons, reading local cook books, food shopping and preparation. Simultaneously, he accepts a position as an employee on a poultry farm to better understand indigenous production and retail perspectives.

Participant observer

Hypermarket management interviews, shopping experiences, wet market participative observations and the participative research (Perry & Gummesson 2004) within a family business are all reported here as a conglomeration in a roughly temporal manner to reflect the journey of discovery as we interact with hypermarket managers, wet market stall owners, farmers and shoppers.

Wet market

During a visit to the Wang's family pork stall, located in an urban wet market with over 35 stalls covering a range of products, Mrs Wang strikes up a conversation inquiring about my teaching post at a local university (see Video 1 for representative wet market). She quickly points out that her son is an award-winning student at my school, but not a business major. This tenuous connection is enough that every visit, thereafter, is accompanied by loud announcements of my teaching post, my ability to cook and my language fluency. This treatment is not specific to me. The Wangs know many of their customers and seek to establish relationships with new customers by probing for possible associations. During busy times, I must push through the crowd to get Mrs Wang's attention, which, once obtained, leads to personalised banter, cooking advice and a bit of extra pork thrown in with my purchase after weighing. Relationship building is a strategy clearly understood by Mrs Wang:

> When a young person buys from me, I ask them how they will cook it. I then tell them how to cook the pork for that dish. That person will then return. I have lots of good relationships like this.

Video 1 Wet market entrance (http://ccc.qbook.tv/index.php/shows-mainmenu-61/videocasts-mainmenu-64/160-taiwanwetmarket)

The Wangs are quite sensitive to the life-cycle stages common in the local culture, where unmarried consumers rarely cook for themselves, but once in a permanent relationship feel a multitude of pressures to cook: 'Young people are lazy … they spend more and the food is not healthy.' Social expectations build to prepare fresh food for the family, while also accounting for other local ritual practices (e.g. *bai bai*) (see Figure 3).

Figure 3 *Bai bai* preparations at family alter (note fish, poultry, pork, rice wine)

While the Wangs' focus on relationship, education and integration with religious ceremonies, Tesco's managers are laser-focused on service quality and the disconfirmation paradigm:

> Some people think customers care most about price. I think price is important, but it's not the most important factor. Comfort, parking, a clean environment, space, and hygiene come before price. Superstore survival is about listening to your customers and exceeding their expectations. I expect customers to tell people that they experience a cleaner store with better quality foods.

Hypermarket

During this research period I shopped once a week in all three hypermarkets. RT-Mart's use of a wet market metaphor is certainly effective in producing an exciting shopping experience. RT-Mart's large fresh food areas become crowded in the late afternoon, like wet markets. Selections of fresh food are displayed in open bins where shoppers dig through produce, a common consumer behaviour in Chinese cultural settings (see Video 2 for fresh food emphasis in a Singapore wet market).

Video 2 Singapore wet market consumer digging behavior (http://ccc.qbook.tv/index.php/shows-mainmenu-61/videocasts-mainmenu-64/178-singaporewetmarket)

Loud promotions, usually manned by mature staff with domain-specific knowledge, populate the store, standing on bare concrete floors, for easy hosing down – in a direct metaphor of the wet market. RT-Mart management is aware of the link: 'We emphasize local shopping requirements, making it easy for someone to stop in and get their daily needs.' The efforts of RT-Mart are clearly focused on creating a wet market feel, yet there is no chance to develop a relationship, receive advice for cooking or even ask the most basic questions about an unknown vegetable. Tesco management, in contrast, is looking to increase perceived comfort: 'We are pushing on late night shopping, so you can get into our stores when there aren't many people and you can experience a clean, bright environment, with helpful staff.'

Interviews with Tesco management reveal a sincere consumer focus, with a strong desire to create a clear market position in the mind of consumers. Segmentation, targeting and positioning are conscious steps supported through local market research, 'Our loyal customer is a married couple, no children, plenty of time, not short of money, and not interested in scrabbling around the wet market or looking for cheap prices; they can discover English food and see it is good value for money.'

Carrefour also acts on market research. Early in our interviews, some internal research findings are discussed: 'Our customer surveys indicate people want to see more imported products, so we are planning an import section.' Soon after, Carrefour implements an international food aisle (see Figure 4), with prominent signage and products mostly repeated from other shelving locations.

Figure 4 Carrefour's international aisle

The international food aisle never takes off and in most stores gets relocated as part of a constant churn in shelving. This moving about and multiple product shelvings is a common occurrence, even in the fresh food section of Carrefour. I often feel taunted when staff walk by wearing blue vests emblazoned, in Chinese, 'Ask Me, I'm Happy to Help You', but when asked cannot themselves locate items. A store manager responds to my frustration over so much movement: 'It keeps things interesting this way.'

In contrast, Tesco's range of imported food products makes expatriates, like me, feel they have been transported away from East Asia. Well-trained and motivated employees often exhibit familiarity with offerings, such as in the cheese area and meat section (with a wide selection of beef – not available in wet markets and in limited availability in competing hypermarkets). The store includes a butcher who walks out to talk to me during one of my visits: 'Sir, that beef you just picked up has been on the shelf for a while; this one here is fresh. May I switch with you?' This level of service is unexpected, and corresponds with management interviews where service is valued as Tesco's key differentiation.

It is easy for me to see why local focus groups show a high loyalty to Tesco, as one of our Tesco management informants reported. I find myself also becoming attached to the store. As a Tesco manager points out, 'We found consumers more and more sophisticated with a taste for western style of food and shopping.' My own feelings are somewhat conflicted, as I identify with the core values reflected in the store, but these do not fit well with my efforts at Chinese food preparation. I find myself traveling to Tesco to buy items impossible to obtain elsewhere, such as beef and, my own personal weakness, Tesco's ginger cookies. Analogous to the wider market reaction towards Tesco's imports, my own children (raised in Taiwan and unfamiliar with ginger cookies) react to this snack with the question, 'What are these made out of? Dirt? It looks and tastes like dirt!' Thereafter, everyone in my home refers to ginger cookies as 'Dirt Cookies'. My own positive orientation towards Tesco's positioning can be seen among other expatriates in Taiwan, as in this internet post made when Tesco announced its closing:

> Oh shit! I don't believe it. I'm their best bloody customer. I go almost every week. That just sucks. Carrefour or whatever it's called is number one on my 'The biggest and yet shittest supermarket in the world' list. I don't believe such a huge yet poorly stocked supermarket (if you can call it that) can take over Tescos … blub, blub, blub. Where will I buy my meat now? Back to the drawing board …

Elaboration

Across all three hypermarkets, the claim of market segmentation and targeting is made, yet the reality is much more about pre-existing strategic positions that influence management perception of market segments. Tesco management is cogent about the management culture they project, and this clarity brings into focus a market segment that is understood through the lens of existing capabilities and competencies. Consumers get the global message, but its meaning to indigenous values is lost in translation. The best example of this is a Tesco manager's confession:

> My girlfriend, she is local, and her mother, always go shopping to the wet market; my girlfriend is sophisticated and been in business for 20 years and you wouldn't expect her to be a wet market shopper, yet she still believes that wet markets are the right place to shop.

Even with close friends supplying feedback on positioning problems, this manager is capable only of viewing the situation from Tesco's existing strategic position. Sato (2004) points out that, when business model problems arise, cognitive dissonance increases as management hunkers down, attributing issues to start-up wrinkles, to be ironed out. As headquarters remains wedded to existing positioning, facing the spectre of losing original core competitive advantages, the psychic distance from the local (target) market increases. The wet market is an emergent, decentralised organisation. Positioning here emphasises small and frequent purchases, relationship building and promoting links to cultural norms, such as food culture and rituals. We next report on the local received culture through a participant-observer, building a better understanding of the emic environment.

The wet market story

Both wet market and hypermarket managers emphasise the importance of freshness. Food and traditional Chinese medicine are tied together in popular culture, seen as directly impacting health (Chang 1977; Mote 1977). This binds food close to local culture in a way that is more readily accessible than within the complexity of a bundle of non-perishable products. A hypermarket's perceived advantage can be nullified even while being acknowledged and appreciated by consumers (especially in surveys where no actual supplies are purchased) when those consumers are seeking foods for specific purposes.

To further understand local consumer values and the context of their exchange behaviours, we focus on a specific category: poultry (the second most consumed meat, behind pork, among Chinese). By driving deeper into the context of one specific product category, we hope to surface the complexity and richness of consumer values that do not run parallel (nor consistently counter) to existing marketing received knowledge. Anderson and He (1999) document that parallel market segments do not exhibit parallel behaviour, with fast food served fast in China but consumed slowly in social groups – fast food is not really food (Witkowski *et al.* 2003).

Poultry processing and wet market retailing

I observe the other side of the exchange while working with the Lee family business in central Taiwan. Using a phenomenological research approach, I began work as an employee for this small-scale poultry operation in order to increase opportunities to be considered an insider, thus gaining better emic understanding. Chinese communication is focused on the delineation of insiders and outsiders (Gao *et al.* 1996), while the family unit is the most fundamental of insider delineation, with the manager of a family business focused on survival, reacting to business issues as they arise (Wall *et al.* 2009).

During my work in the wet market, I emphasise participant-observer intersubjectivity (Finlay 2005), following the lead of my co-workers and shoppers. The city of Chu Shan (Bamboo Mountain), the Lee's home town, in central Taiwan, has a population of approximately 60,000 people, where tea, sweet potato and bananas farms are common, along with a light industrial park. The Lee family historically produced a range of cash crops, including tobacco in the 1970s, mushrooms in the 1980s, and then moving into poultry in the late 1990s. When I began work, the Lees operated a single retail poultry stall and sold 100 to 200 chickens a day in Chu Shan's central wet market. Chickens are purchased from hatcheries, grown on the Lees' farm, slaughtered and processed, then delivered to their wet market stall for sale, normally 5:00 to 10:00 am, seven days a week.

Mr Lee is an aggressive entrepreneur, always looking for ways to expand his business. He wants to control as much of the channel as possible, in order to 'produce a chicken so good that customers would return to my stall for', and I suspect more important, be able to scale up production in the future to supply other stalls and restaurants. Entry barriers to the wet market are low, with many poultry sellers simply taking delivery of live chickens in the morning then slaughtering and processing them on demand for customers.

The Lees' poultry business

Mrs Lee manages the wet market stall, while Mr Lee manages the processing and delivery, and is responsible for slaughtering chickens himself. Normal operations included three to five people. I am normally assigned to delivery, which entails driving a small, 125cc, motorcycle with a large rectangular plastic vat (1.5 × 1 m) tied on to the back seat, which is filled to overflowing with freshly processed chickens (see Figure 5 and

Figure 5 Chickens waiting for delivery and at wet market sales stall

Video 3). The vat has a number of holes to allow the water and blood mixture to drain out on the way to the wet market, an occasionally frightening drive of about ten minutes.

Video 3 Poultry processing and delivery vehicle (http://ccc.qbook.tv/index.php/shows-mainmenu-61/webcasts-mainmenu-62/86-chicken)

Chickens sold in the market must be freshly slaughtered, with everyone along the chain working on a just-in-time basis. As wet market closing time approaches, Mr Lee normally warns me, ‘We don’t want to kill any more chickens if there are no customers – any extra will just go into the freezer and its price will drop.’

I often speak with drop-in customers on the farm – people simply walking up to the open-air processing operation (see Video 4, choosing live chickens at a Shanghai wet market). Such customers prefer to choose a live chicken on the spot or bring their own chicken to be processed (occasionally urban residents with their city-raised birds).

Video 4 Consumer choosing live chicken in Shanghai wet market (http://ccc.qbook.tv/index.php/shows-mainmenu-61/videocasts-mainmenu-64/155-shanghai-wet-market)

Mr Lee’s competitive advantage lay in his ability to bring fresh poultry to market, while still capable of producing in volume – allowing his wet market stall to stay open long after others have closed. Upon my arrival at the wet market (see Figure 6), no matter how many chickens are already well arranged in the stall, customers crowded around me to reach into the vat and look for a fresher bird. I am responsible to move the cargo from the vat to temporary inventory, where the birds are separated based on size and type, such as silkie (popular for herbal dishes), all the while peppered with questions by customers about when a new shipment will be coming and exactly how long ago were these birds slaughtered.

Figure 6 Market outside and inside – child carried by mother

Wet market shoppers

Early-morning shoppers, during week days, are split between grandmothers and mothers, from extended families. Mums often bring school-age children along. Afternoon wet markets are also often visited by mothers on their way home after picking up their children from school. Children, ranging from infants to pre-teens, often exhibit excitement and influence purchase decisions as well as nag for impulse purchases – usually traditional snacks. This impulse purchase behaviour is no different from that seen in western settings, but here I clearly witness children acculturating to the appearance and odours of the wet market, associating the milieu with the very meaning of food, excitement – and even family.

Video 5 Mother socializing daughter in wet market and boy nagging mother for impulse purchase (http://ccc.qbook.tv/index.php/shows-mainmenu-61/videocasts-mainmenu-64/160-taiwanwetmarket)

Consumers in the 13–30 years old age range are conspicuously absent from the wet market. Mrs Lee attributes this to life-cycle stage: 'Why would someone who can't cook come to the wet market? Once they start to cook, they come here.' When consumers do begin to cook, the enculturation that took place is a strong anchor for what they consider good food to be specifically as well as what a retail servicescape looks, feels and smells like.

The multiple in vivo narratives of our informants represent a series of Rashomon encounters: each perspective is deeply valid within its own logic and to the participants (Holt 1991). Our results show consumption values are highly complex, even in narrow domains. Drilling down into the single category of chicken, we find fresh is paramount, while the food also plays a paraphernalia role in everyday ritual. In another context, chicken may simply satisfy hunger and convenience needs.

Problems arise when local normative pressures do not neatly align with a firm's strategic positioning or a researcher's paradigms. A hypermarket manager waiting for local consumers to adopt his/her meaning of fresh will have a long wait if meanings of fresh are contested – which they often are. Poultry's multifaceted meanings are representative of the wider global versus local debate. Expanding on our findings, we can now integrate numerous parts of the fieldwork into the wider debate of global versus local consumer culture.

General discussion

This study is anchored in local experience that includes misgivings about insights driven by assumptions embedded in western reductionist paradigms. Our exposure to and experience of traditional market research shows that separate elements of the western retail perspective consistently rank high among local consumers – often taken as a sign of market alignment. In actual consumption settings, as elements form an offer, Chinese customers find the western formats unremarkable. Apparently, familiar and simple labels in retail lack significant equivalences across cultures (Smith & Reynolds 2002), i.e. a clean servicescape can be acknowledged as clean, but the meaning of clean can itself be contested, making calls for better alignment difficult to understand and implement.

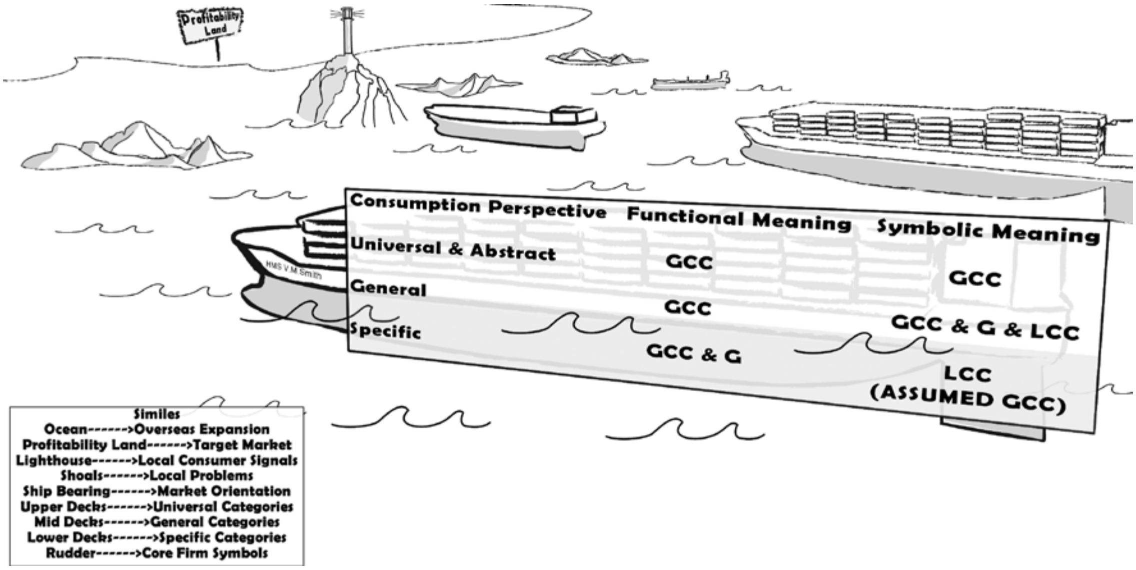
Rather than reduce our rich observational findings, we propose to extend the marketing metaphor of *alignment* to create a conceptual model that describes the complex interactions and issues faced by the firms we studied and, in a wider context, other firms entering Greater China markets. Metaphors draw implications grounded on perceived analogies of structures between two subjects. Marketing makes extensive use of metaphors that, Cornelissen (2003) asserts, increase robustness with higher levels of isomorphism (the metaphor's similes that infer structural analogies), meaning a good metaphor can be used to infer many analogies, helping managers to apply systematic approaches across contexts.

Alignment of a firm with a target market segment fundamentally means that at least two entities are executing exchange processes, resulting in a matching of supply and demand. The alignment metaphor, as often used in marketing, infers a much richer group of similarities between the buyer and seller. Strategies for alignment with overseas markets are often categorised as falling into global, glocal or local efforts. We first examine these strategies as parameters of the alignment metaphor.

The role, relevance and desirability of globalisation, glocalisation and localisation in international marketing are recurring topics for both the researchers and managers. Merz, He and Alden (2008) assert that all three strategies can be successful, depending on the symbolic/functional and universality/specificity context of the product within the local market. Offerings with more functional meaning are open to a global consumer culture, while those with more symbolic meaning require a good fit with local consumer culture. Products and services used in more specific situations tend to require more glocalisation. This approach to classification is appealing to our study, but with the added complication that what is viewed as symbolic and specific in one culture is often assumed to be universal. This is further complicated by corporate values, which by their nature are symbolic. The core values that are attributed to a firm's success (often filling the pages of MBA case studies) make up the very assumptions management work from (Ellson 2004).

Even though the meanings of fast food may be understood globally, such meanings diverge locally (Wu 1997). For Chinese customers, McDonald's is not the cheap alternative it is in the West but instead holds appeal for meetings, study or dating in a clean and air-conditioned environment with no pressure to leave quickly (Wirtz & Lovelock 2005). Thus, any attempt at classification is complicated by multiple perspectives and axes, not easily simplified.

We propose a conceptual model that encapsulates a metaphor supported by similes, adapting Merz *et al.*'s taxonomy (2008) and inspired by the practical orientation of Mintzberg's conceptual models. Retailers are metaphorically ships on an ocean (see Figure 7), approaching their target markets (profitability land). Each ship is exporting a combination of



Notes: GCC = Globalised Consumer Culture; G = Glocalisation; LCC = Localised Consumer Culture

Figure 7 Market alignment metaphor as ships steered by home values assumed to be global

meanings and perspectives. The target market, in turn, contains its own combination of meanings and perspectives.

Global consumer culture is most apparent at the universal and abstract consumption perspective, where hypermarkets' functional and symbolic meanings are global in nature. At the general consumption perspective, their functional operations are similar – to provide a range of product categories, offer service support and provide a servicescape for retail behaviours. These two consumption perspectives are most representative of a global consumer culture – appearing pertinent to consumer values across international markets.

At the specific consumption perspective, differences between home and overseas markets emerge, represented as below the water line due to their difficulty in being observed. The specific situation and use of a product is likely to be culturally specific. When combined with symbolic meaning, the product always embodies local values. It is the symbolic and specific consumption, however, that is often the source of a firm's core values, and thus the rudder of this ship, which is slow to adjust as the emphasis is to stay on course, as predefined by the home firm.

Through this metaphor, Tesco and the local RT-Mart can be seen as simply supplying goods through the universal hypermarket format. Below the waterline, however, Tesco brings its core values, which are actually local core values from its home market. A visit to RT-Mart shows its local core values: developing warm relational associations, locally referred to as Chin-Chieh (Stanworth 2009), and an exciting wet market-like environment, observed favourably as *renao*, hot and noisy (Warden *et al*. 2008). Market researchers, however, tend to be drawn to research results that show the universal consumption perspectives, as they lend themselves to positivistic methods. Tesco finds support in the market for its values, and even if it wanted to change, it is questionable if it could.

What is fundamentally right in one local setting becomes significantly wrong in another. Such core values are so fundamental they remain uncontested: how can a shopper not want a clean store? No cook is looking for non-fresh food. From a local Chinese perspective, how can a shopper not seek out the buzz of a *renao* atmosphere, warm interactions with staff and the excitement of bargain hunting? Reductionist approaches assume that such examples are isolated edge cases that will simply fade away in the face of globalism. This approach, however, misses the point that the firm is, for better or worse, being steered by its own home localised values.

On the surface of the ocean, all the boats look similar, global and familiar. The target market is welcoming and, when visited, seems to offer many opportunities. Competitive advantages in the home market are often viewed as advantages overseas where the target markets appear to be lacking any competitors fulfilling these obvious needs. Below the waterline, obscured, each firm is exporting quite different symbolic meanings. Glocalisation is the goal of all the western firms we have worked with in Taiwan, yet these same firms are totally committed to their core values, which they are unable to deviate from. Signals about target market preferences, the lighthouse, warn of collisions with local values, the shoals and rocks under the surface.

Warnings are often dismissed as a local market's lack of modernity or consumers who require re-education. Mattel's spectacular Barbie store, in Shanghai, closed in 2011, while Disney's language schools for children are showing strong growth. Local parent emphasis on education and discouragement of pure recreation time for school-age children make these results obvious. Disney avoided exporting its entertainment emphasis, with a strong American individuality value system, and reorientated its symbolic meaning towards an education emphasis. Large numbers of school-age children are easily seen walking between public schools and private 'cram schools', often not getting home until 9 pm. This is a signal Mattel missed as it sunk on the rocks of incongruent symbols.

The big box US retailer Best Buy completely pulled its stores out of China in 2011, but is experiencing growing profits from the local subsidiary joint venture, Five Stars (170 stores). We were unable in our visits to Best Buy, in Shanghai, to perceive any major departure from its US stores. This is also the case for the US DIY retailer Home Depot, which closed half of its PRC stores in 2011. Although housing construction has boomed for the last decade, and continues to grow, Home Depot is struggling while the economy all around it expands. The exported DIY symbols do not make sense to local consumers, with another DIY example, B&Q, exiting Taiwan (http://ccc.qbook.tv/index.php/shows-mainmenu-61/webcasts-mainmenu-62/45-show-1).

Wal-Mart significantly increased its level of fresh and ready-to-eat foods after acquiring the Taiwan-owned supermarket chain Trust-Mart (outbidding both Carrefour and Tesco), with over 100 stores in the PRC. The purchase helped Wal-Mart steer its local effort by adopting specific symbolic meanings very different from its US stores (http://ccc.qbook.tv/index.php/shows-mainmenu-61/webcasts-mainmenu-62/186-walmartshanghai), including much more *renao* atmospheres, with loud sales pitches, crowded aisles and piles of product for consumers to dig through (see Figure 8).

Figure 8 Wal-Mart Shanghai aligning with local values

The metaphor of market ‘alignment’ is insufficient in describing multiple subjective perspectives, while it tends to emphasise the global. Only a deep understanding of the local context and consumer values can surface the symbolic and specific consumption perspectives that a firm must adopt, at the very high price of leaving behind home market core values. Rather than claiming which culture-specific values and behaviours are better or worse, an indigenous research approach embraces the richness of the detail. Assumptions of any dialectic are false. Rather, consumers consider the context of purchase and employing a holistic perspective, typical of Chinese psychology (Lu 2008). Participants – be they organisations, consumers or researchers – can only overcome mismatched narratives and fully *grok* what alignment means by diving deep into the emic, without an ontological life-jacket of positivism.

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About the authors

Clyde A. Warden, PhD, is Professor of Marketing at National Chung Hsing University, Taiwan. His research focuses on Chinese consumer behaviour and appears in publications including *Journal of Retailing*, *Journal of Service Management*, *Asia Pacific Journal of Marketing and Logistics* and *Cyberpsychology, Behavior, and Social Networking*. His consultancy supports global brands operating in the China region and can be viewed at the Chinese Consumer Connection website, with video and podcasts.

James Stanworth, PhD, is Assistant Professor at the National Changhua University of Education, Taiwan. His research develops insights into the design and management of service experiences for Chinese customers. Recent work reveals that service technology, in the Chinese cultural setting, requires a radical departure from traditional service quality conceptualisations for managerial success. Local data collection and experiences in the China region are documented at the Chinese Consumer Connection Website.

Judy F. Chen, PhD, is Professor of Management at the Overseas Chinese University, Taiwan, where she has explored the key roles of language and culture in business. Her research has appeared in *TESOL Quarterly*, *Journal of Business Ethics* and *Computers & Education*.

Stephen Chi-Tsun Huang, PhD, is Associate Professor of Marketing at the National Khaosiung First University of Science and Technology, Taiwan. His research focuses on cross cultural marketing issues and

technology adoption, appearing in *Journal of Retailing*, *Journal of Hospitality and Leisure Marketing* and *International Journal of Service Industry Management*.

Address correspondence to: Judy F. Chen, 100 Chiao Kwang Road, Taichung 40721, Taiwan, R.O.C.

Email: jfc@ocu.edu.tw