# REFLECTIONS OF CULTURAL VALUE: KOREAN AUTOMOBILE CORPORATIONS' TELEVISION ADVERTISING

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## Chapter 1

## Introduction

In 1964, Marshall McLuhan named the world "a global village". With developments of technology in communication and transportation, the notion of "globalization" is found everywhere in political, socio-economic, and cultural discourse.

In marketing theory, the notion of "globalization" was introduced by Theodore Levitt in 1983, when he argued that "companies must learn to operate as if the world were one large market ignoring superficial regional and national differences and selling the same products in the same way throughout the world" (pp. 92-93). In marketing, the significance of geographical border is tapering off as corporations have expanded their businesses globally.

As the consumers' needs and tastes around the world become similar with globalization, marketing and advertising directors of transnational corporations [1](TNC) seek to standardize advertising in the international market (Elinder, 1965; Johnsson & Thorelli, 1985). This international marketing approach seems to make sense because consumers around the world may have similar desires for qualities and values. However, it may be unrealistic to integrate the international market without considering the differences in culture, infrastructure, and development of economy and technology (Mooij, 1994). The differences in infrastructure such as transport system, distribution,

[1] 'International', 'multinational', 'global', and 'transnational' corporation are not well-defined concepts. According to Mooij (1994), "The differences lie in the location and types of markets and the organization of the enterprise". Mooij defined a transnational corporation as "an integrated business system which uses global resources to serve global customers". The transnational corporations seek profits through global competition mixing and matching resources.

available media, and legal conditions, as well as the differences in economy and technology are important to international marketing. However, the cultural difference is considered as the core of international advertising strategies because advertising is a reflection of culture. This study examined the reflection of cultural values in advertising through the analysis of experts' opinion and a content analysis of TV commercials in international markets.

### *Research Problems*

A standardized advertising strategy has advantages and disadvantages. Standardization of advertising helps to create a consistent brand image and reduces the cost of producing advertising campaign. Using the standardized advertising strategy, produced by headquarters, advertising can maintain the same brand image in the international market. However, the standardized strategy may not always be effective for the entire international market due to cultural differences. According to Lenormand (1964), a common denominator should exist for the success of standardization, but different countries have different marketing and advertising environments. Kaynak and Mitchell (1981) argued that an advertising strategy chosen by transnational companies is also influenced by the stage of economic development. Therefore, whether to use a standardized or localized advertising strategy has been the international marketer's dilemma.

According to cross-cultural advertising studies (e.g., Pollay & Gallagher, 1990; Mueller, 1992), values are the core elements of culture, and are embedded in advertising

appeals. The values portrayed in advertising are different by country or culture. Previous studies (e.g., Albers-Miller & Gelb, 1996; Miracle, Chang, & Taylor, 1992) have found that values portrayed in advertising are similar within similar cultures. For instance, American advertisements contain more individualistic value compared to those of Asian countries (Han & Shavitt, 1994). In contrast, Han and Shavitt (1994) pointed out that these differences diminish when American advertisements are compared with those of Western countries. Empirical studies on advertising have found that advertising reflecting local cultural values is more persuasive than those ignoring them (Han & Shavitt, 1994; Taylor, Miracle, & Wilson, 1997).

In addition to cultural values, product characteristics have been considered as one of the important elements in many advertising studies (e.g., Shavitt, 1990; Mooij, 1994; Han & Shavitt, 1994). For example, shared products are likely to be advertised with both individualistic and collectivistic values while personal products are not likely to be advertised with collectivistic values (Han & Shavitt, 1994). Since products are different in usages and benefits, advertising appeals and values may change by product category.

The research literature on cross-cultural advertising is rich (e.g., Mueller, 1987; Onkvisit & Shaw, 1987; Mueller,1992; Miracle, Chang, & Taylor, 1992; Han & Shavitt, 1994; Taylor, Miracle, & Wilson, 1997). However, studies on international advertising strategy of Korean automobile corporations (KACs) are rare despite the fact that automobiles are one of the major products that South Korea exports in the international market. In one of the few studies of Korean TNCs, Choi (2000) found that KACs not only have used standardized and localized strategy, but also compromised strategy in international advertising. Choi's research showed that two companies adopted not only

localized strategy (advertisements reflecting local culture) in major markets where their global branches are established, but also standardized strategy (advertisements do not reflect the local culture) in other markets. He also found that one company used localized strategy regardless of its major or minor markets.

## Objectives

KACs' advertising spending[2] and the volume of automobile sales in the international markets have sharply increased in recent years. Therefore, it is valuable to examine KACs' international advertising themes, marketing environments, and the reflections of local culture in TV commercials.

The objectives of this research are the following:

1. To compare the advertising themes and to explore the environmental elements of the market used by KACs in the English-speaking international markets (i.e., Australia, Canada, the U.K., and the U.S.A.) as well as their domestic market in South Korea.

2. To assess cultural values of individualism and context reflected in KACs' TV commercials aired in the English-speaking international markets (i.e.,

[2] Advertising spending in the U.S.A. of Hyundai Motors increased to $203 million in 2000 from $164 million in 1999. Kia Motors increased it to $167 million in 2000 from $130 million in 1999. No data is found for Daewoo Motors advertising spending in the U.S.A. Advertising spending outside the U.S.A. (i.e., Asia, Europe, Latin America, Middle East, and Canada) of Hyundai increased to $225 million in 2000 from $194 million in 1999, Kia Motors increased it to $79 million in 2000 from $67 million in 1999, and Daewoo Motors (including Daewoo group and electronics) increased to $314 million in 2000 from $285 million in 1999 (Source: http://www.adage.com).

Australia, Canada, the U.K., and the U.S.A.) and those used in their domestic market in South Korea.

Although this study assessed cultural variables of individualism-collectivism and high-context and low-context, separately, these two variables are likely to have a degree of conceptual overlaps each other as well as other cultural dimensions such as direct-indirect, informational-emotional, utilitarian-hedonic, etc. For example, an individualistic culture may be embedded in a low-context culture while a collectivistic culture may have high-context culture. In addition, the concept of individualism (and collectivism) and high-context (and low-context) can be measured in their degree rather than a dichotomous scale. In this sense, the present study has limitation in terms of the purification of cultural variables and the measuring scale.

## Chapter 2

## A Review of Literature

### *Introduction*

Marketing and advertising scholars have debated standardization vs. localization problems for more than four decades. Among other things, the debates are based on the different viewpoints regarding consumer cultures and product characteristics. The consumer cultures and product characteristics have been some of the most important variables in deciding international advertising strategy. However, international marketing and advertising studies on Korean TNCs, including KACs, are rare compared to those of TNCs in advanced countries. This literature review examined previous studies on (1) International Marketing Environment, (2) Controversy in International Marketing, (3) Advertising and Culture, (4) Product Characteristics, and (5) KACs' International Advertising Environment.

### *International Marketing Environment*

More than a hundred years ago, almost every product was consumed by people who lived near the place of the production (Mooij, 1994). However, after the Second World War, economic integration over the world changed this system. As international marketing guru Levitt (1983) pointed out, the world is a common marketplace. Levitt argued that technology is the driving force toward the converging market, and it pulled

down the cost of communication and transportation. People around the world want attractive goods and services that they have heard and seen through traveling and communication (Levitt, 1983). The result is emergence of a global market.

The emergence of a global market raises the possibility of standardization in international marketing and advertising for international marketers (Sorenson & Wiechmann, 1975). This means that international marketers can sell the same products and services using the same marketing and advertising strategy around the world market. However, the success of standardization depends on the similarity of consumers' needs and tastes.

## *Controversy in International Marketing*

Proponents of standardization insist that it is absurd to use different advertising strategy over the consumers who have similar needs and tastes. In contrast, opponents argue that international advertising should consider the differences of local culture. This section reviews the theoretical and empirical studies on standardization, localization, and compromise of the international advertising strategy.

### *Standardization*

The concept of standardization has been introduced in the early 1960s in the marketing and advertising field. Elinder (1961) insisted that it is possible to overcome the difference in language in standardization of international advertising. He thought that it is absurd for TNCs to create different advertising messages in each country for the same

product since the consumers in the world have similar needs and values. However, Elinder's study was limited to European countries.

It was Levitt (1983) who reinforced the concept of globalization. Levitt argued that "the global corporation operates with resolute constancy – at low relative cost – as if the entire world (or major region of it) were a single entity; it sells the same things in the same way everywhere" (Levitt, p. 92). According to him, the development of communication and transportation has made the world consumers' tastes similar. Therefore, he concluded that standardization is possible. In other words, the viewpoint of the standardization school holds that people's basic physiological and psychological needs are the same even if they are different in many other ways (Onkvisit & Shaw, 1987). Elinder, Roostal, Fatt, Bronfman, and Levitt (as cited in Onkvisit & Shaw, 1987) held this belief.

*Localization*

Scholars such as Neilsen, Leighton, Lenormand, Reed, Lipson and Lamont, and McCarthy and Perreault (as cited in Onkvisit & Shaw, 1987) argue against the standardization of advertising. They pointed out that it is unrealistic to see the world as a single market without considering local values and cultural differences (Onkvisit & Shaw, 1987). This school of scholars thought advertisers must consider culture, taste, media availability, and other economic elements. A successful advertising strategy in a country is not always effective in other countries because of the differences in culture (Javalgi, Cutler, and Malhotra, 1995; Taylor, Miracle, and Wilson,1997).

More recently, Gurhan-Canli and Maheswaran (2000) argued that TNCs, when establishing international marketing and advertising strategy, should consider local culture since advertising is a reflection of culture. Thus, the viewpoint of this school holds the theory that although people basically have similar needs and values, they are different in cultural aspects. Therefore, advertising should reflect the different local cultures.

*Compromise*

Although the controversy between standardization and localization has continued for a long time, none of the two sides has convinced the other. Meanwhile, a middle-of-the-road group emerged between standardization and localization forces. This compromise view points out that the difference between countries is a matter of degree, not of direction. Marketing and advertising scholars such as Brit, Dunn, Miracle, Kahler, Keegan, and Terpstra (as cited in Onkvisit & Shaw, 1987) hold the theory that some degree of marketing and advertising standardization is possible although they are aware of the differences between cultures.

This last view suggests that the decision, whether standardized or localized strategy, is not only related to consumer culture but also to product characteristics, market environments, and many other relating factors (see Table 1). Therefore, when deciding international advertising strategy, some of these intervening factors should be considered. Empirical studies have shown an inconsistency in international advertising strategies of standardization and localization. Sorenson and Wiechmann (1975) found a high degree of standardization of 27 TNCs' advertising in European countries.

*Table 1. Factors Affecting Extent of Standardization*

| | |
|---|---|
| Miracle | Type of product, homogeneity of markets, characteristics of media, government restrictions, etc. |
| Britt | Consumption (income group, purchase motivation, dictate brand, etc.) Psychological (brand name, brand loyalty, pricing, media, etc.) Culture (society restrictions, tradition, etc.) |
| Dunn | Rate of economic growth, per capita income, literacy level, education level, social class structure, attitude toward authority, etc. |
| Kahler | Similarity of the motivation for purchase and a similarity of use conditions |
| Terpstra | Production side and marketing side (consumption system, buying motives, language) |
| Keegan | If the market is global, appeals can be standardized and extended |

*Source: Onkvisit and Shaw (1987)

Boddewyn, Soehl, and Picard (1986) exhibited more standardized advertising strategies than localized strategy in Western Europe. Hite and Fraser (1988) found that the majority of Fortune 500 business firms used a compromise of standardized and localized advertising strategy while only 9 percent of them used totally standardized advertising. The U.S. TNCs (e.g., Coca-Cola, McDonald's, GM, IBM, etc.) and European TNCs (e.g., Unilever, Nestle, Benetton, etc.) have adopted the compromised advertising strategy. Japanese TNCs (e.g., Sony, Toyota, etc.) showed similar trends.

The decision on standardization, localization, or a mix of the two depends on consumers' culture, product characteristics, and other marketing environments. Therefore, all these factors should be considered in international advertising studies. However, it is almost impossible to deal with all these factors in one study. Therefore, this study limits the intervening factors to culture and product characteristics. This study limits the countries within the English-speaking culture – Australia, Canada, the U.K., and the U.S.A. – and South Korea, and also limits the product category to a passenger automobile to control the differences in culture and product characteristics as much as possible.

### *Advertising and Culture*

Since cross-cultural differences have been recognized in advertising strategy, international advertisers are on the alert to cultural variations. They are needed to use frames of cultural reference that are understood by the people they target. The frame must be shaped by understanding the differences in beliefs, values, traditions, and other cultural factors. Domestic success is no guarantee of success in different countries because of the failure of understanding other cultures. This section discusses two of the major cross-cultural contributions on the cultural aspects, which are important to the international advertising field. They are Hofstede's dimensions of national culture and Hall's high- and low-context communication styles.

*Dimensions of national culture*

Hofstede defined a culture as "the collective mental programming of the people in an environment. Culture is not a characteristic of individuals; it encompasses a number of people who were conditioned by the same education and life experience" (as cited in Mooij, 1994, p.121). Hofstede (1980) argued that the term "culture" is applied to ethnic, national, or different levels of society group. Therefore, it is important to be specific when we say culture. At a national level, Hofstede's (1980) dimension of national culture is one of the most fundamental cross-cultural studies.

Hofstede (1980) distinguished four dimensions[3] of culture (1) power distance, (2) individualism/collectivism, (3) masculinity/femininity, (4) uncertainty avoidance. As these dimensions were devised by Western view, he added one more dimension, (5) long-term orientation, which reflects Chinese culture. Among Hofstede's five cultural dimensions, individualism/collectivism is one of the most useful factors that distinguish Western culture from Eastern culture. The individualistic cultural pattern is found more in Europe and America, whereas the collectivistic culture is common in Asia, Africa, Latin America, and the Pacific (Hofstede, 1980). In his study, the U.S.A. (scored 91 on a 100 point scale of individualism), Australia (90), the U. K. (89), and Canada (80) are highly individualistic while South Korea (18) is highly collectivistic.

Although Hofsted's cultural dimensions were initially developed as work related values in the context of a single multinational organization, the dimension of individualism/collectivism is frequently used in content analysis of cross-cultural

[3] Hofsted's original data were based on an extensive IBM database in which 116,000 questionnaires were used in 72 countries and in 20 languages between 1967 and 1973.

advertising studies (e.g., Han & Shavitt, 1994; Albers-Miller & Gelb, 1996; Cho, et al., 1999).

*Contexts*

Besides Hofstede's dimension of national culture, the context of culture is frequently used in distinguishing Asian culture from Western culture. Hall (1976) noted that, "a high-context communication or message is one in which most of the information is either in the physical context or internalized in the person while very little is in the coded, explicit, transmitted part of the message. A low-context communication is just the opposite" (p. 79).

According to him, high-context culture is intuitive and contemplative, and tends to use indirect and ambiguous messages, whereas low-context culture is analytical, action oriented, and uses articulate, spoken messages. He categorized the U.S. and other Western European countries as low-context cultures while Korea, Japan, and Taiwan are categorized as high-context cultures. Mueller (1992) argued that communication styles in high-context cultures emphasize interpersonal relationships, non-verbal expression, physical setting, and social circumstances while communication styles in low-context cultures stress clearly articulated and spoken messages.

*Product Characteristics*

Product characteristics affect types of value, which is the core element of culture. It is manifested in advertising, and closely related to the decisions on advertising

strategies. Since consumer expectations are different for each product, values expressed in advertising are different by product category. For example, the expected values of automobile are safe, solid, modern styling, fast, comfortable, etc. The expected values of soft drinks are having good taste, refreshing qualities, low calories etc., while the expected values of cosmetics are being attractive, beautiful, safe, having good color, etc. (Mooij, 1994).

In terms of products, the following must be reviewed: the four categories of products (Mooij, 1994), product involvement (Bowen & Shaffee, 1974), and shared and personal products (Han & Shavitt, 1994).

*Four Categories of Products*

According to Mooij (1994), there are four possible international advertising strategies by product characteristics (see Table 2); (1) standard product and local advertising, (2) standard product and standard advertising, (3) local product and local advertising, (4) local product and standard advertising.

The first strategy, standard product-local advertising, includes products of different needs and usages. For example, a bicycle can be used for recreation in one country and for transportation in another country. The second strategy, standard product-standard advertising, involves relatively culture-free products. The third strategy, local product-local advertising, includes cultural products. The fourth strategy, local product-standard advertising, is for products focusing on images of products rather than product itself.

*Table 2. Matrix of Standardization and Localization Strategy*

| | Standard Product | Local Product |
|---|---|---|
| Local Ad. | bicycle, automobile, airline, jeans ... | greeting card, food industry... |
| Standard Ad. | computer, wristwatch, battery calculator, perfume, credit card... | brand fashion, coffee... |

*Source: Mooij (1994)

*Product Involvements*

Bowen and Chaffee (1974) categorized products in terms of involvement. They divided products as high-, medium-, and low-involvement. High-involvement products are generally high in price, purchased infrequently, and require a relatively long time span to collect product information. Automobiles, kitchen appliances, and jewelry belong to this category. Low-involvement products have relatively low prices, and are purchased frequently. Hair-care products, wine, and food products are included in this category. Medium-involvement products are middle in price, between high- and low-involvement products, and need a medium level of information searching activity. Watches, television sets, and cameras belong to this category.

*Shared and Personal Products*

Han and Shavitt (1994) categorized products as shared and personal. They defined shared products as those shared with family or friends. Consequently, the decision

making process to purchase these products involves more than one person. In contrast, personal products are defined as personally using products. Therefore, purchasing decision is individually made.

In this study, to control the different product characteristics, the product category is limited to automobiles. Still, within the category of automobile, different kinds of models could have different marketing and advertising strategies. However, with controlling the differences in product categories as much as possible (i.e., small or mid-sized passenger automobiles), this study compares cultural values reflected on TV commercials between the domestic market in South Korea and those in the English-speaking international market.

### *KACs' International Advertising Environment*

As one of the Newly Industrializing Countries (NICs), Korea has fewer TNCs compared to those of the U.S., Europe, and Japan. Among the few Korean TNCs, the major automobile corporations such as Hyundai, Kia, and Daewoo Motors have been some of the most active global advertisers among Korean TNCs. Hyundai Motors increased advertising spending more than 10 percent between the year 2000 and 2001, and in the same year, Kia Motors increased advertising spending 52 percent in their major market, the U.S.A. (Moon, 2001).

The increasing of advertising spending in the international market has increased the volume of automobile sales. For example, Hyundai Motors, the largest KAC, sold 27,126 cars in January 2002 in the U.S.A. This was a 22 percent increase from the same

month a year before. Daewoo Motors, the second largest KAC, sold 5,009 cars in the U.S.A. in the same period. Although this is a 1.8 percent decrease from January 2001, this shows a 65 percent increase from that of December 2001. Kia Motors, the third largest KAC, sold 16,574 cars in the same period in the U.S.A, which was a 32 percent increase from the same month a year before (Lee, 2002).

However, there are few studies on KACs' international marketing or advertising strategy and global consumers' response to their advertising. According to Han (2001), global consumers consider advertising sponsored by Korean companies as "hard to understand", "ineffective", and "meaningless". KACs' TV commercials in the international market were no exception.

Unlike the well-established images and brand values of advanced countries' automobile TNCs, KACs and their products are comparatively new and unfamiliar to global consumers. KACs' new-comers' image may be a disadvantage rather than an advantage to compete in the international market. Although the KACs' brands are popular among Korean consumers, without acquiring target consumers' proper attention, the global consumers may not be interested in Korean automobiles. Therefore, KACs need to reflect local culture in international advertising themes.

### *Summary of Literature Review*

The emergence of global marketing environments led the possibility of standardization of marketing and advertising around the world. Proponents of standardization argue that it is possible because of the similar needs and tastes of the

world's consumers. In contrast, opponents argue that standardization is less effective because of the differences in culture. Meanwhile, the compromised viewpoint emerged, insisting standardization and localization are a matter of degree, not of direction.

As the compromise viewpoint suggests, advertising strategies depend on many intervening elements such as consumer cultures, product characteristics, marketing environments, and so on.

Among previous studies, the major cross-cultural studies such as Hofstede's (1980) cultural dimensions and Hall's (1976) high- and low-context are reviewed in this literature review. Hofstede's individualism and Hall's context studies found that East Asian countries such as Korea, China, and Japan use high-context and collectivistic communication while Western cultures such as Australia, Canada, the U.K., and the U.S.A. use low-context and individualistic communication.

The characteristics of product are another important intervening element in advertising strategy. Mooij (1994) categorized four different marketing and advertising strategies by product characteristics. In the study, it is found that the automobile category belongs to standard product and uses local advertising strategy. Bowen and Chaffee (1974) divided products as high-, medium-, and low-involvement. The automobile belongs to the category of high-involvement product. Han and Shavitt (1994) distinguished products as shared and personal. The automobile belongs to a family-shared category rather than a personal category.

Although other marketing environments such as homogeneity of markets, characteristics of media, government restrictions, brand name, brand loyalty, pricing, per capita income, etc. should be considered as intervening elements, it is almost impossible

to include all those elements in one study. Therefore, this study limited these elements as much as possible.

# Chapter 3

## Methods

### *Introduction of Studies*

The objectives of this study are (1) Comparing advertising themes and exploring environmental elements of KACs international advertising strategies, and (2) Identifying cultural values reflected in KACs' TV commercials aired in English-speaking international markets and those used in the domestic market in South Korea.

This study uses both qualitative and quantitative research methods. To fulfill the first objective, two research questions are raised. For the second objective, four hypotheses are constructed.

To control the cultural differences, this study limits markets in English-speaking countries, specifically, Australia, Canada, the U.K., and the U.S.A. as well as the market in South Korea. Also, to control the differences in product characteristics, this study limits product category from small to mid-sized automobiles. Therefore, three KACs' six major models – Daewoo Lanos and Nubira, Hyundai Sonata and Santa Fe, Kia Spectra and Carnival/Sedona – are selected for the study. The characteristic of each automobile is described in Table 3. Kia Carnival/Sedona is known as Carnival in South Korea and Australia, but it is known as Sedona in Canada, the U.K., and the U.S.A.

*Table 3. Descriptions of Selected Models of Automobile*

| Company | Model | Description |
|---|---|---|
| Daewoo | Nubira | Small sized family sedan |
| | Lanos | Small-Mid sized family sedan |
| Hyundai | Sonata | Mid sized family sedan |
| | Santa Fe | Small-Mid sized family sport utility vehicle |
| Kia | Spectra | Mid sized family sedan |
| | Carnival/ Sedona | Mid sized family van |

*Source: http://www.daewoomotor.co.kr; http://www.hyundai-motor.com; and http://www.kia.co.kr

## *Study 1*

### *Introduction*

An expert opinion technique was adopted as a research method for Study 1. This technique provides sources of general guidance and clues on a particular research topic. Expert opinion technique, however, has some differences compared to other scientific research methods.

First, scientific research methods generally minimize subjective human judgments as much as possible, but expert opinion technique has much room for subjectivity. Second, scientific research methods are generally replicable because researchers described the research process in detail, but expert opinion technique is far from replicable. The technique is impossible to tell how experts gathered the information

which they provided. Using the expert opinion technique, researchers can only report what the researchers asked and the experts' opinion (Simon, 1969).

Still, the expert opinion technique is considered a useful method to collect information that might be harder to obtain by using other research methods. It is hard to deny that, "the statements of a million people about the size of your feet will be less accurate than the statement of the man who just sold you a pair of shoes." (Simon, 1969, p. 276) The agreement of expert opinion is often very high when the experts are really experts. In this study, KACs' local marketers are selected as the experts since they are experts on KACs' international advertising theme and on the marketing environment of KACs.

*Research Questions*

The first research question compared KACs' advertising themes between the TV commercials aired in the English-speaking market and those of the domestic market in South Korea.

RQ 1. Did three major KACs (Daewoo Motors, Hyundai Motors, and Kia Motors) use different advertising theme in their English-speaking international market (i.e., Australia, Canada, the U.K., and the U.S.A.) compared with those used in their domestic market in South Korea?

The second research question explores the environmental elements affecting decisions on the three KACs' advertising strategies in the international market as well as their domestic market in South Korea.

RQ 2. What are the environmental elements affecting the theme of the three KACs' (Daewoo Motors, Hyundai Motors, and Kia Motors) international advertising?

*Key Concepts*

- Advertising theme

Theme is conceptually defined as an issue, a belief, and an attitude of communication (Kassarjian, 1977). It is one of the most useful units of content analysis but also one of the most difficult units of measurement (Kassarjian, 1977).

In this study, an advertising theme is defined as a main concept of creative expression (copy and visual) in TV commercial. It is what the advertisers are trying to say about their products through TV commercials. It is the main concept of creative expressions of TV commercials.

The advertising theme is measured by asking marketers of Daewoo Motors, Hyundai Motors, and Kia Motors advertising concepts of TV commercials of major models (Daewoo Lanos and Nubira, Hyundai Sonata and Santa Fe, and Kia Spectra and Carnival/Sedona) comparing between their own market and South Korean market (Question 3, Appendix A/B).

- Environmental elements

An environmental element is conceptually defined as a background element of an action, a decision, and a result. In this study, an environmental element is a background situation that affects decisions concerning advertising strategy and theme. It is measured with open-ended questions, that is, "What are the reasons for using the same or different themes between the English-speaking market and South Korean market?" and "What kind of elements affect your decision on advertising theme?" (Question 4 and 5, Appendix A/B), by asking marketers of Daewoo Motors, Hyundai Motors, and Kia Motors in Australia, Canada, the U.K., the U.S.A., and South Korea.

*Procedure*

To explore advertising themes and environmental elements of the three KACs, an e-mail survey was given to the KAC marketers. As a preparation for selecting proper marketers in each country, the marketing headquarters of the three KACs in South Korea were contacted. It was found that the Daewoo marketing office in Canada had closed because of bankruptcy, and Hyundai marketing headquarters in South Korea controlled the Australian market directly.

With e-mailing and phone calling, 10 marketers were contacted among more than 14 marketers in the three Korean automobile companies. They are 3 marketers in South Korea, 2 in Australia, 1 in Canada, 2 in the U.K., and 2 in the U.S.A. Six out of ten are Korean-speaking marketers (1 in Canada, 2 in the U.S.A., and 3 in South Korea), and four are English-speaking marketers (2 in Australia and 2 in the U.K.). Although the Korean-speaking marketers were expected to be able to understand the English

questionnaire since they are working in the international marketing field, the questionnaires were translated into Korean for their convenience. Most of them are in charge of advertising strategy only in one country, except the marketers at the headquarters in South Korea. They were given questionnaires and were asked to respond via e-mail. The purpose of the study was explained to the participants before sending the questionnaire through e-mail, and follow-up international phone calls were made to increase responding rates.

*Findings*

The similarities and differences of advertising theme of TV commercials of three KACs are compared between English-speaking international market and their domestic market in South Korea.

The first research question in Study 1 was, "Did the three KACs (Daewoo Motors, Hyundai Motors, and Kia Motors) use different advertising themes in their English-speaking international markets (i.e., Australia, Canada, the U.K., and the U.S.A.) compared with those used in their domestic market in South Korea?"

According to the experts' opinion, all the marketers in the English-speaking countries have used different advertising themes in their markets compared to that of the South Korean market. The marketers in South Korea also acknowledged that the advertising themes used in the English-speaking markets are different from that of the marketing headquarters in South Korea.

The sum of responses leads to a conclusion that Daewoo Motors, Hyundai Motors, and Kia Motors use different advertising themes in English-speaking markets compared with their domestic market in South Korea.

In addition, a marketer in Canada pointed out that marketers in Canada and the U.S.A. used the same advertising theme. Although this study did not compare the advertising themes between the English-speaking countries, it is interesting to know of the possibility of using the same theme in the similar culture.

The second research question in Study 1 was "What are the environmental elements that affect themes of the three KACs' (Daewoo Motors, Hyundai Motors, and Kia Motors) international advertising?" Table 4 is a summary of the ten KACs' marketing experts' opinion.

Among others, the following four environmental elements are distinctive.

- *Cultural Difference*

The most frequently mentioned environmental element is a cultural difference. More than half of the 10 marketers pointed out cultural difference as a major environmental element affecting decision on international advertising theme. Similar answers such as "different consumer interests", "psycho-graphic differences" and "different consumer tastes" are included in this category.

- Brand positioning

The second most frequently mentioned environmental element is "difference in brand positioning." Half of the marketers indicated that different brand position in each

*Table 4. Expert Opinion on Environmental Elements Affecting Ad. Theme*

| Respondent | Environmental elements of using different advertising themes |
|---|---|
| 1 | No communication between marketers in each country. |
| 2 | Cultural, legal, competitive environments differ between countries.<br>Brand position, vehicle benefits, consumer appeals, product life-cycle are different. |
| 3 | Cultural, demographic differences.<br>Possibility of dubbing into French (Canada). |
| 4 | Need to meet consumer communication needs, consumer interest, and localize. |
| 5 | Independent managements, not required to use theme as Korea, concern only local market, reflect positioning in local market.<br>Advertising theme example in U.K.– "responsible motoring"(give bicycle) |
| 6 | Demographic, geographic, psycho-graphic differences |
| 7 | Cultural, brand positional differences.<br>Different options between countries. |
| 8 | Different consumer tastes on cars, independent managements<br>But, used the same theme in Europe except the U.K. |
| 9 | Different target group, different segmentation of cars, different brand awareness |
| 10 | Consumers' different socio-economic status.<br>Brand awareness, sales volume, different target groups |

market is an important environmental element on international advertising theme. "Different brand awareness" is included in this category.

- Demographic difference

The next frequently answered environmental element affecting advertising theme is "demographic difference". More than one-third of the marketers raised consumers' demographic difference as an affecting element on advertising. In this category, "different target-group", "socio-economic status", and "different segmentation" are included.

- Independent management

A little less than one-third of the marketers revealed that "independent management" is one of the important environmental elements causing different advertising themes in each market. A respondent said there is "no communication between marketers in each country", and another respondent pointed out marketers are "not required to use the same theme" with the theme of South Korea. These responses are included in the category of independent management.

- Other affecting elements

Although not a majority opinion, other elements are important since the respondents are assumed to be experts in the marketing and advertising fields. These minority opinions are "sales volume," "different product option," "geographic

difference," "competitive environment," and "possibility of dubbing into French (Canada)," etc.

## *Study 2*

### *Introduction*

Content analysis, as a research method in advertising, is considered a proper method to find categories of attributes in advertising and to report results statistically (Berelson, 1952). To examine reflections of cultural values of the three major KACs' TV commercials, the content analysis method was chosen for the study 2.

Although KACs have used various advertising media such as television, newspaper, magazine, radio, etc., this study selected only TV commercials as an advertising medium. One of the major reasons of selecting TV commercial as a research object is because of its effectiveness and accessibility. TV commercials are considered more effective than print media, they are accessible to various ages, fast in response, and preferred by TNCs (Lee, 1999).

To limit the cultural and environmental differences, the sample TV commercials are chosen from English-speaking international markets (i.e., Australia, Canada, the U. K., and the U.S.A.) and the market of South Korea. Also, to control the differences in product characteristics, only the TV commercials of small to mid-sized models of automobiles are chosen. Those models are Daewoo Lanos and Nubira, Hyundai Sonata and Santa Fe, Kia Spectra and Carnival/Sedona.

*Hypotheses*

To fulfill the research objective 2, which is identifying cultural values reflected in TV commercials, four hypotheses are established.

Hofstede (1980) found that individualism and collectivism is one of the most useful dimensions distinguishing Western culture and Asian culture. His study revealed that Western countries, which include Australia, Canada, the U.K., and the U.S.A., have highly individualistic cultures while Asian countries, which include South Korea, have highly collectivistic cultures. Since advertising is a reflection of culture, this study hypothesized the following:

H1. The three major KACs' TV commercials aired in their domestic market in South Korea reflect more collectivistic value than individualistic value.

H2. The three major KACs' TV commercials aired in English-speaking international markets (i.e., Australia, Canada, the U. K., and the U.S.A.) reflect more individualistic value than collectivistic value.

Also as mentioned in the literature review, Hall's (1976) context is another dimension distinguishing Western culture from Asian culture. He categorized the U.S.A. and other Western European countries as a low-context culture while Korea and other East Asian countries are categorized as a high-context culture. Therefore, this study hypothesized the following:

H3. The three major KACs' TV commercials aired in their domestic market in South Korea reflect more high-context value than low-context value.

H4. The three major KACs' TV commercials aired in English-speaking international market (i.e., Australia, Canada, the U. K., and the U.S.A.) reflect more low-context value than high-context value.

*Key Concepts*

*Dependent variables.*

- Individualistic and collectivistic values

An individualistic value is conceptually defined as a cultural value that prefers independent relationship, and personal goals are more important than group goals.

In contrast, a collectivistic value is conceptually defined as a cultural value that prefers interdependent relationship, and group goals are more important than personal goals (Hofstede, 1980). Individualistic value is associated with emphasis on achievement, freedom, pleasure, and a high level of competition. Collectivistic value is associated with emphasis on harmony, family, security, social hierarchies, cooperation, and a comparatively low level of competition (Triandis, 1990).

In this study, an individualistic value is defined as a cultural value of individuality, uniqueness, independence, success, self-realization, benefit to one's own self, and personal ambition that is reflected in the advertising concept of KACs' TV commercials aired in Australia, Canada, the U.K., the U.S.A., and South Korea. It

includes the values of emphasizing achievements, freedom, pleasure, and the benefits of products.

A collectivistic value is, in this study, defined as a cultural value of interdependence, family integrity, group well-being, concern for others and group goals as found in the advertising concept of KACs' TV commercials aired in Australia, Canada, the U.K., the U.S.A., and South Korea. It includes harmony, social hierarchy, and cooperation.

Individualistic value and collectivistic value are measured with the following criteria of Table 5. Coders are informed to code a main theme of TV commercials not separating the audio and video parts.

- Context values

A low-context culture is conceptually defined as a culture in which most information is in communication message (Taylor, Miracle, and Wilson, 1997). A mass of information is coded explicitly in a low-context culture. The people in the low-context culture use explicit and clearly articulated communication messages. In contrast, a high-context culture is conceptually defined as a culture in which most information is already in the person (Hall, 1976). Very little is coded, explicit, and transmitted as part of the message in a high-context culture. The people in the high-context culture tend to use indirect and ambiguous communication messages.

A low-context value, in this study, is defined as a cultural value of analytical, rational, and articulate messages that are reflected in the advertising concept of KACs' TV commercials aired in Australia, Canada, the U.K., the U.S.A., and South Korea. It

*Table 5. Criteria for Individualistic and Collectivistic Values*

| Code | Value | Description |
|---|---|---|
| 1 | Individualistic | • Place values on individuality (or unique), independence, success, self-realization, benefit to one's own self, and personal ambition.<br>• Subordinate in-group goals to personal goals.<br>• Emphases on independence, achievement, freedom, high level of competition, pleasure.<br>• Emphasis on the benefits of products |
| 2 | Collectivistic | • Reflect interdependence, family integrity, group well-being, concern for others and group goals.<br>• Subordinate personal goals to in-group goals.<br>• Emphases on interdependence, harmony, security, social hierarchies, corporation, low level of competition. |

includes emphases on product feature, usage of comparative appeals, and addressing consumers' practical, functional, and utilitarian need for a product.

A high-context value, in this study, is defined as a cultural value that is intuitive, emotional, indirect, and ambiguous which is reflected in the advertising concept of KACs' TV commercials aired in Australia, Canada, the U.K., the U.S.A., and South

Korea. It includes the values that use metaphors or aesthetic expression, addressing a particular situation, and a subjective impression.

Low-context and high-context values are measured with the following criteria of Table 6.

*Table 6. Criteria for Context Values*

| Code | Value | Description |
|---|---|---|
| 1 | Low-context | • Analytical, rational, articulate and spoken message<br>• Emphasis on product features and characteristics<br>• Explicit mention of competitive products<br>• Use of comparative appeals<br>• Addressing consumers' practical, functional, utilitarian need for the product<br>• Use of numbers or graphics |
| 2 | High-context | • Intuitive, indirect, and ambiguous message<br>• Emphasis on emotion and mood<br>• Use of metaphors or aesthetic expressions<br>• Associating a product with a particular situation or type of person or lifestyle<br>• Addressing affective or subjective impressions of intangible aspects of a product |

Just as when coding the individualistic and collectivistic values, coders are informed to code a main theme of a whole TV commercial, not separating the audio and video parts.

*Independent variable.*

- *Markets*

An English-speaking international market is conceptually defined as a market in which its major population use English as a mother tongue. It encompasses all the English-speaking countries as long as English is used as an official language. A Korean domestic market is conceptually defined as a market in which its official language is Korean.

An English-speaking international market, in this study, is defined as a English-speaking automobile market of Australia, Canada, the U.K., and the U.S.A. in which three major KACs' TV commercials aired between the time frame of the year 2001 and 2002. In terms of a broad cultural viewpoint, these countries are under the Western culture. Although there may be cultural differences among these English-speaking countries, they have similar culture when compared to Asian culture, specifically, Korean culture.

A Korean market, in this study, is defined as a domestic automobile market in South Korea in which the three major KACs aired TV commercials during the year

2001 and 2002. The North Korean market is excluded. In terms of cultural viewpoint, South Korea is under Korean cultural value, which is different from western cultural value.

This variable is easy to measure since the countries where the KACs' TV commercial aired are clear in the TV commercial source.

*Population and Sample*

The study population of Study 2 is all the TV commercials of the three KACs' six major models (Daewoo Lanos and Nubira, Hyundai Sonata and Santa Fe, and Kia Spectra and Carnival/Sedona) that aired between January 1, 2001 and April 30, 2002 in Australia, Canada, the U.K., the U.S.A., and South Korea.

The samples of the English-speaking international market are all the TV commercials, within the population[4], monitored by Xtreme Information Corporation, an advertising monitoring and analyzing company located in London, the U.K. The samples of the domestic market in South Korea are all the TV commercials, within the population, monitored by Otto Corporation, a Korean advertising monitoring company located in Seoul, South Korea, and all the TV commercials, within the population, found at the websites[5] of Daewoo Motors, Hyundai Motors, and Kia Motors.

Among all the 78 TV commercials of the three KACs' six products monitored by Xtreme Information within the time span, 59 TV commercials that aired in Australia, Canada, the U.K., and the U.S.A. were selected, excluding special types of commercials such as sales promotions, financing, and corporation images. When the same commercials with different lengths are found in a country, the longer version was selected.

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[4] There are some exceptions. The Lanos commercial selected in Canada was aired in June, 1999. That of in the U.K. was aired in May 1999 and January 2000. Santa Fe in the U.K. was aired in October 1998. That of in the U.K. was aired in September 2000. This is because of the lack of Lanos and Santa Fe commercials in those countries during the time span between January, 2001 and April 2002.

[5] http://www.daewoomotor.co.kr; http://www.hyundai-motor.com; and http://www.kia.co.kr

For Korean commercial samples, 18 commercials were selected from 28 TV commercials at the three KACs' websites, and 9 commercials are selected from 10 commercials from Otto's data with the same procedure. In total, 86 KACs' TV commercials were selected as a study sample in the five countries (see Table 7).

*Table 7. Sampled TV Commercials*

| | Daewoo | | Hyundai | | Kia | | Total |
|---|---|---|---|---|---|---|---|
| Model | Lanos | Nubira | Sonata | Santa Fe | Spectra | Car/Sed | |
| Australia | 2 | 4 | 6 | 2 | 2 | 6 | 21 |
| Canada | 1 | | 3 | 1 | 1 | 2 | 8 |
| UK | 2 | 5 | 1 | 1 | | 2 | 11 |
| USA | 1 | 3 | 5 | 3 | 3 | 3 | 19 |
| Korea | 6 | 8 | 4 | 2 | 3 | 4 | 27 |
| Total | 12 | 20 | 19 | 9 | 9 | 17 | 86 |

*Coding Procedure*

A framework to analyze KACs' TV commercials is developed based on the previous theoretical and empirical research on cultural dimensions. The developed framework adopts Hofstede's (1980) individualistic and collectivistic dimension and Hall's (1976) context dimension. These two cultural dimensions are most frequently used in comparing the Western and the Asian culture.

The first step for the coding is creating a coding protocol. The protocol is composed of the purpose of a study, a definition of key concepts, and judging process. A coding sheet is provided to coders for marking (see Table 8).

Three bilingual (English and Korean) coders participated in the coding process. The coders are trained using automobile TV commercials, which do not belong to sample commercials to prevent possible bias. A couple of pretest of coding was performed to familiarize coders with the coding protocol and to eliminate ambiguity or confusion of the category definitions.

The first two coders did their work independently. The disagreements between the two coders were resolved by a third coder. Inter-coder reliability was tested using Holsti's (1969) formula[6]. The inter-coder reliability of individualistic/collectivistic value is 89%, and that of context value is 87%. Therefore, the overall inter-coder agreement for the study sample is 88%. This is above the satisfied level of inter-coder reliability. Researchers, generally, are satisfied with the reliability of 85 percent or over (Kassarjian, 1977).

[6] When two coders doing code, the inter coder reliability = sum of agreements between A and B [%]

*Table 8. Coding Sheet*

A Cultural Reflection of KACs' TV Commercials

Commercial Identification---------- [ ]

Company Name---------- [ ]

1 = Daewoo
2 = Hyundai
3 = Kia

Model name---------- [ ]

1 = Lanos
2 = Nubira
3 = Sonata
4 = Santa Fe
5 = Spectra
6 = Carnival/Sedona

Country---------- [ ]

1 = Australia
2 = Canada
3 = the U.K.
4 = the U.S.A
5 = South Korea

Individualistic/Collectivistic value---------- [ ]

1 = Individualistic
2 = Collectivistic

Context value---------- [ ]

1 = Low-context
2 = High-context

*Coding Protocol*

*Purpose of study.*

This TV commercial analyzing protocol is aimed at identifying cultural values reflected in TV commercials of Korean automobile corporations, or KACs, aired in Australia, Canada, the U.K., the U.S.A., and South Korea between January 1, 2001 and April 30, 2002.

It examines how the cultural values of KACs' TV commercials are differently reflected in the theme in the English-speaking market and their domestic market in South Korea. The following definitions are important in analyzing the content under study.

*Definitions.*

- KAC

A KAC is a Korean automobile corporation that produces passenger and commercial cars, with its headquarters in South Korea. KACs, in this study, are the major three Korean automobile corporations such as Daewoo Motors, Hyundai Motors, and Kia Motors.

These companies produce automobiles in their domestic market in South Korea and export to international markets. For marketing, they air TV commercials through network or cable TV in each country. The content to code, in this study, is the TV commercials of the three KACs' six passenger automobile models i.e., Daewoo Lanos and Nubira, Hyundai Sonata and Santa Fe, and Kia Spectra and Carnival/Sedona.

- Advertising theme

An advertising theme, in this study, is a main concept of a TV commercial that is expressed through audio and video. The audio is a sound and video is an image of a TV commercial.

An advertising theme should encompass both a theme of audio and a theme of video. Therefore, if there is a difference between the theme of audio and the theme of video, coders should follow the main concept of a TV commercial rather than taking only one part of an expression.

*Procedure.*

All sample TV commercials are watched to identify following categories.

- Commercial identification
- Company name
- Model name
- Country
- Individualistic/Collectivistic value
- Context value

## *Findings*

Descriptive analyses of frequency and cross-tabulations are used for Study 2.

*Frequencies of Variables*

Table 9 is a frequency of company. This table shows that Daewoo's TV commercial is the most frequent (37.2%), followed by that of Hyundai (32.6%) and Kia (30.2%). However, the samples are relatively evenly distributed among the three KACs (see Figure 1).

*Table 9. Frequency of Company*

| *Company* | *Frequency* | *Percent (%)* | *Valid Percent* | *Cum. Percent* |
|---|---|---|---|---|
| Daewoo | 32 | 37.2 | 37.2 | 37.2 |
| Hyundai | 28 | 32.6 | 32.6 | 69.8 |
| Kia | 26 | 30.2 | 30.2 | 100 |
| Total | 86 | 100 | 100 | |

*Figure 1. Frequency of Company*

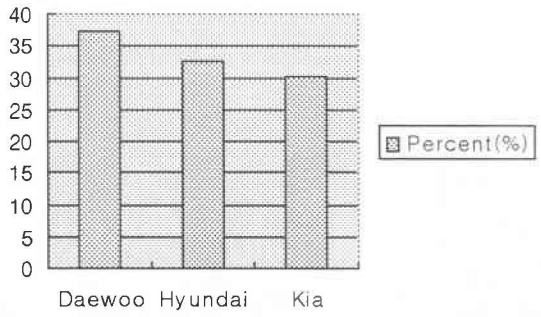



Table 10 and Figure 2 reveal that the sample of Daewoo Nubira is the most frequent (23.3%) followed by Hyundai Sonata (22.1%) and Kia Carnival/Sedona (19.8%). The sample of Hyundai Santa Fe (10.5%) and Kia Spectra (10.5%) are the least. It is

because of the lack of sampled TV commercials for Santa Fe and Spectra in Canada and the U.K.

*Table 10. Frequency of Model*

| Model | *Frequency* | *Percent (%)* | *Valid Percent* | *Cum. Percent* |
|---|---|---|---|---|
| Lanos | 12 | 14.0 | 14.0 | 14.0 |
| Nubira | 20 | 23.3 | 23.3 | 37.2 |
| Sonata | 19 | 22.1 | 22.1 | 59.3 |
| Santa Fe | 9 | 10.5 | 10.5 | 69.8 |
| Spectra | 9 | 10.5 | 10.5 | 80.2 |
| Carnival/Sedona | 17 | 19.8 | 19.8 | 100 |
| Total | 86 | 100 | 100 | |

*Figure 2. Frequency of Model*

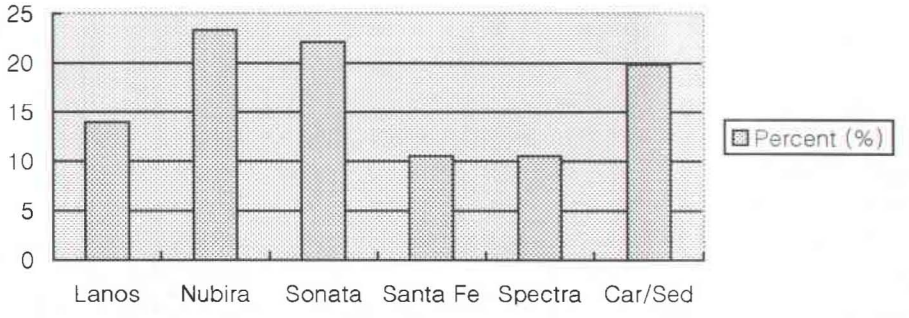



Table 11 and Figure 3 compare frequency of the sample in the English-speaking market and that in South Korean market. It is recognizable that the former (68.6%) is

more than double of the latter (31.4%), but this is understandable since the English-speaking market includes four countries while the Korean market has only one country.

*Table 11. Frequency of Market*

| Market | *Frequency* | *Percent (%)* | *Valid Percent* | *Cum. Percent* |
|---|---|---|---|---|
| Korea | 27 | 31.4 | 31.4 | 31.4 |
| English-speak | 59 | 68.6 | 68.6 | 100 |
| Total | 86 | 100 | 100 | |

*Figure 3. Frequency of Market*

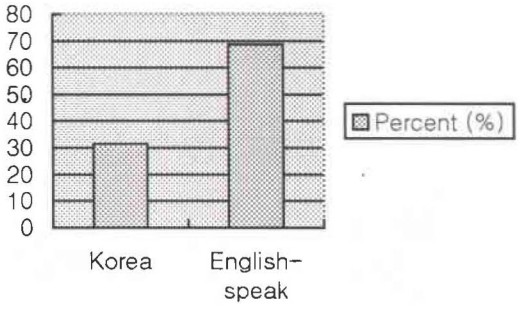



Table 12 and Figure 4 disclose the frequency of samples that are categorized as individualistic and collectivistic values. It is found that the individualistic value (74.4%) is nearly triple that of the collectivistic value (25.6%) in the sample. This finding infers that individualistic value is more prevalent than collectivistic value in KACs' automobile TV commercials in the study population.

*Table 12. Frequency of Individualistic Value*

| Value | *Frequency* | *Percent (%)* | *Valid Percent* | *Cum. Percent* |
|---|---|---|---|---|
| Individualistic | 64 | 74.4 | 74.4 | 74.4 |
| Collectivistic | 22 | 25.6 | 25.6 | 100 |
| Total | 86 | 100 | 100 | |

*Figure 4. Frequency of Individualistic Value*

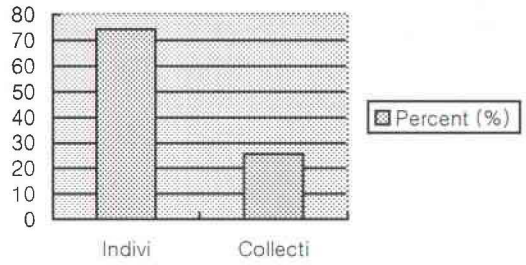
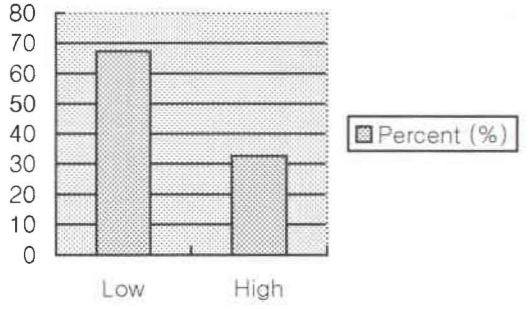



Table 13 and Figure 5 unveil the frequency of contexts. It is found that low-context value (67.4%) is more than double high-context value (32.6%). This finding surmises that individualistic value is more common than collectivistic value in KACs' automobile TV commercials in the study population.

*Table 13. Frequency of Context Value*

| *Valid* | *Frequency* | *Percent (%)* | *Valid Percent* | *Cum. Percent* |
|---|---|---|---|---|
| Low-context | 58 | 67.4 | 67.4 | 67.4 |
| High-context | 28 | 32.6 | 32.6 | 100 |
| Total | 86 | 100 | 100 | |

*Figure 5. Frequency of Context Value*




*Hypotheses Testing*

Table 14 and Figure 6 disclose that individualistic value is much more prevalent than collectivistic value not only in the English-speaking market but also in the market of South Korea. Contrary to prior expectation, individualistic value (81.5%) is more widespread than collectivistic value (18.5%) reflected in the theme of TV commercials aired in the South Korean market. Therefore, this finding failed to support the Hypothesis 1: Three major KACs' TV commercials aired in their domestic market in South Korea reflect more collectivistic value than individualistic value.

However, as expected, individualistic value (71.2%) is more common than collectivistic value (28.8%) reflected in the theme of TV commercials in English-speaking market. Therefore, this finding supports the Hypothesis 2: Three major KACs' TV commercials aired in the English-speaking international markets (i.e., Australia, Canada, the U. K., and the U.S.A.) reflect more individualistic value than collectivistic value.

*Table 14. Cross-tabulation of Individualistic Value*

| | *Individualistic (%)* | *Collectivistic (%)* | *Total (%)* |
|---|---|---|---|
| Korea | 81.5 | 18.5 | 100 |
| English-speak | 71.2 | 28.8 | 100 |

*Figure 6. Individualistic Value in English-speaking and South Korean Markets*

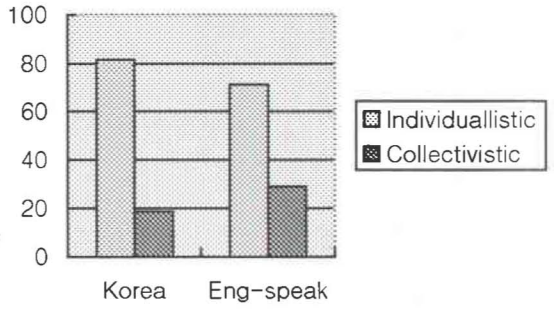



Table 15 and Figure 7 show that there is a context difference between the English-speaking market and the South Korean market. As expected in the previous study, high-context value (59.3%) is more common than low-context value (40.7%) reflected in the theme of TV commercials in the South Korean market. Although the difference of proportion is less than 20%, this finding supports Hypothesis 3: Three major KACs TV commercials aired in their domestic market in South Korea reflect more high-context value than low-context value.

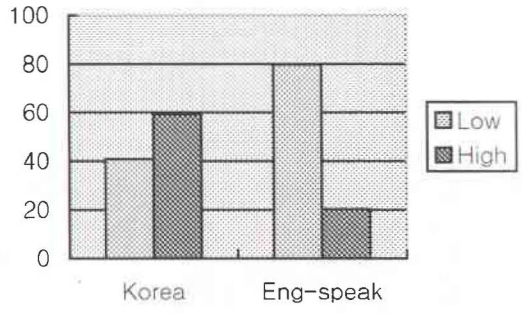
As expected, also, low-context value (79.7%) is more widespread than high-context value (20.3 %) reflected in the theme of TV commercials in the English-speaking market. Therefore, this finding supports Hypothesis 4: Three major KACs TV

commercials aired in the English-speaking international market (i.e., Australia, Canada, the U. K., and the U.S.A.) reflect more low-context value than high-context value.

*Table 15. Cross-tabulation of Context Value*

| | *Low-context (%)* | *High-context (%)* | *Total (%)* |
|---|---|---|---|
| Korea | 40.7 | 59.3 | 100 |
| English-speak | 79.7 | 20.3 | 100 |

*Figure 7. Context Value in English-speaking and South Korean Markets*




To summarize, the results of analyzing cultural reflections on the theme of KACs' TV commercials support three of the four hypotheses. As expected in the previous research, this study supports that individualistic value and low-context value are more prevalent in the TV commercials aired in the English-speaking market while high-context value is more common in the TV commercials aired in the South Korean market. However, contrary to expectation, individualistic value is more widespread in the TV commercials aired in the South Korean market than that in the English-speaking market.

This finding may imply that the cultural value in South Korea changed from collectivistic to individualistic.

# Chapter 4

## Conclusion and Limitations

### *Conclusion*

The main purpose of this study was to find out reflections of cultural values in KACs' TV commercials aired in international markets and their domestic market in South Korea. Theoretical and empirical studies on advertising and culture are rich, and the studies have revealed that advertising reflects cultural values. However, studies related to advertising and culture on Korean automobile corporations, or KACs, are rare in the U.S.A., even in South Korea. This study explored KACs' marketing and advertising environments, advertising strategies, and cultural reflection in their TV commercials.

In Study 1, it was found that marketers of three major KACs (Daewoo Motors, Hyundai Motors, and Kia Motors) used different advertising themes in the English-speaking market compared to their domestic market in South Korea. Using the expert opinion technique, the study found some of environmental elements affecting the international advertising theme. It was revealed that a cultural difference is one of the most important elements in the international advertising theme.

Study 2 examined reflections of cultural values in KACs' TV commercials aired in the English-speaking market and their domestic market in South Korea. Using the content analysis method, the study found that KACs' TV commercials aired in the English-speaking market reflect individualistic and low-context values. These results

supported the hypotheses, which Western countries tend to enclose individualistic and low-context values.

The study also discovered that the TV commercials aired in South Korea reflect high-context value. It supports the hypothesis, in which South Korea is likely to have high-context value in TV commercials rather than low-context. Unexpectedly, however, the TV commercials aired in South Korea have highly individualistic value. This may infer that the cultural value of South Korea changed from a collectivistic to an individualistic one under the influence of Westernization, or Americanization.

In conclusion, the present study confirmed that the TV commercials of KACs aired in the English-speaking countries and South Korea reflect local culture, in terms of the cultural dimensions of individualism-collectivism and high- and low-context values. This finding surmises that KACs used a localized advertising strategy rather than a standardized strategy in the English-speaking market as well as their domestic market in South Korea.

### *Limitations*

Four major limitations should be mentioned in this study. The first limitation is in the population. Since KACs advertise not only in the Western English-speaking countries, but also in Asia, Middle-East, Latin America, and Africa, it is necessary to include some of the non-Western countries to internationally find out how the TV commercials reflect local culture. However, this study limits the market to some English-speaking countries such as Australia, Canada, the U.K., and the U.S.A. to control other cultural variables.

The second limitation is in sampling. In Study 1, the most critical point is whether the selected experts are really experts. Although this study tried to find experienced experts for valuable results, there is always a possible problem of selecting an inappropriate person when using the expert opinion technique.

In Study 2, samples selected from the data of advertisement monitoring companies are another limitation in sampling. In other words, it is not clear how they have monitored and collected the TV commercials. Even so, this study used their data because of the difficulty of collecting TV commercials, which have been aired in the four English-speaking countries and in South Korea. The reason why the results of this study could not apply the whole population of KACs' international TV commercials was because it used the unprobability sampling methods. In addition, the small volume of samples may cause problem in validity. Although this study included almost all the TV commercials available from the monitoring companies and the websites of the three KACs between January 2001 and April 2002, a relatively small volume of sample was selected to do content analysis.

The third limitation is in environments of advertising. As mentioned in the literature review, advertising strategies depend on many other elements such as consumer culture, product characteristics, homogeneity of markets, characteristics of media, government restrictions, etc. Although this study limited cultural variables within an English-speaking western market, and limited product category from a small to mid-sized passenger automobile, many other marketing environments may affect the themes of TV commercials, especially in international marketing situations.

The last limitation is in the variables. This study used individualistic/collectivistic and context values as dependent variables. These variables are considered as two of the most useful measures to compare Western and Asian countries, but these variables are only a part of the dimension of measuring cultural value. Other cultural dimensions, such as time orientation, relation to nature, masculinity and femininity etc. are also applicable as cultural variables.

### *Suggestions for Future Research*

This study provides following suggestions for future studies. First, future studies need to examine more cultural dimensions. Although the dimensions of individualistic value and context value are useful in cultural study, other cultural variables may help to find reflections of cultural value in international advertising.

Second, a study of changing culture is valuable in the market of rapidly changing countries. As the present study revealed that the TV commercials aired in South Korean market did not reflect collectivistic culture, there is a possibility of changing culture. Since culture is changing and advertising reflects culture, a study on changing culture and its reflections on TV commercials is suggestible as a future study.

**Appendix A**
(English)

A Survey of International TV Advertising

This survey is for a master of art thesis in department of communication, University of Hawai'i at Mānoa.

Please read the following questions carefully and respond the most suitable answers, and send me back your response at yoyo0011@hanmail.net .

If you have any question in regards to this survey, please send an e-mail to the same address above. I will respond immediately. Thank you very much.

1. Which country are you in charge of advertising (or marketing)?

[ ] Australia [ ] Canada [ ] the U.K. [ ] the U.S.A. [ ] South Korea

2. Which model of car(s) are you in charge of?

(for Daewoo marketers)

[ ] All models [ ] Nubira [ ] Lanos

[ ] others (specify: )

(for Hyundai marketers)

[ ] All models [ ] Sonata [ ] Santa Fe

[ ] Others (specify: )

(for Kia marketers)

[ ] All models [ ] Spectra [ ] Carnival/Sedona

[ ] Others (specify: )

3. When you (your company) execute TV commercials in English-speaking countries (i.e., Australia, Canada, the U.K., and the U.S.A.), how do you use the advertising theme* **compared with the Korean TV commercials**?
(*Advertising theme means the main concept of creative expressions [copy & visual] in a TV commercial)

[ ] Use the same theme

[ ] Use different theme

4. What are the reasons of using the same or different advertising theme in the market in which you are in charge of?

5. What kinds of elements affect the decision on advertising theme in the market in which you are in charge of?

6. For what company, in which department, and in which country do you work?

Department:

Company:

Country:

**Thank you very much for your cooperation!**

## 국제 TV 광고에 관한 설문조사

이 설문조사는 하와이대학교 마노아캠퍼스 커뮤니케이션학과 석사논문을 위한 것입니다.

다음 질문을 주의깊게 읽으신 후, 가장 가까운 답변에 표시해 yoyo0011@hanmail.net 으로 이메일을 보내주시기 바랍니다.

설문조사와 관련해 문의사항이 있으시면 위의 전자메일 주소로 메일을 보내주십시오. 즉시 응답 드리겠습니다. 대단히 감사합니다.

1. 귀하가 광고 (또는 마켓팅)를 담당하고 있는 지역은?

[ ] 호주 [ ] 캐나다 [ ] 영국 [ ] 미국 [ ] 한국

2. 광고 (또는 마켓팅)를 담당하고 있는 차종은?

(대우 마켓팅 담당자)

[ ] 전차종 [ ] 누비라 [ ] 라노스

[ ] 기타(구체적으로: )

(현대 마켓팅 담당자)

[ ] 전차종 [ ] 소나타 [ ] 산타페

[ ] 기타(구체적으로: )

(기아 마켓팅 담당자)

[ ] 전차종 [ ] 스펙트라 [ ] 카니발/세도나

[ ] 기타(구체적으로: )

3. 귀하 (또는 귀하의 회사) 가 영어권 국가 (예를 들면, 호주, 캐나다, 영국, 미국) 에서 TV 광고를 할 때, <u>한국 내 **TV** 광고와 비교해</u> 어떤 광고주제* 를 사용하십니까?

(* 광고 주제란 광고 창작 표현 [카피와 비주얼]의 핵심 컨셉트를 의미합니다.)

[ ] 동일한 주제 사용

[ ] 상이한 주제 사용

4. 귀하가 담당하고 있는 마켓에서 동일한 광고 주제, 또는 차별화된 광고주제를 사용하는 이유는 무엇 입니까?

5. 귀하가 담당하고 있는 마켓에서 광고주제를 결정하는데 영향을 미치는 요인은 무었입니까?

6. 현재 거주하는 국가와 소속된 회사, 그리고 부서는?

부서:

회사:

국가:

**설문조사에 응해주셔서 대단히 감사합니다.**

## Appendix C

*Tally Sheet*

| ID | Company<br>1.Daewoo<br>2.Hyundai<br>3.Kia | Model<br>1.Lanos 2.Nubira<br>3.Sonata 4.Santa Fe<br>5.Spectra<br>6.Canival/Sedona | Country<br>1.Australis<br>2.Canada<br>3.UK<br>4.USA<br>5.S. Korea | Individualistic<br>1.Individualistic<br>2.Collectivistic | Context<br>1.Low-cotext<br>2.High-context |
|---|---|---|---|---|---|
| 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | 1 | 1 | 1 | 1 | 1 |
| 3 | 1 | 1 | 2 | 1 | 2 |
| 4 | 1 | 1 | 3 | 1 | 1 |
| 5 | 1 | 1 | 3 | 1 | 1 |
| 6 | 1 | 1 | 4 | 1 | 1 |
| 7 | 1 | 2 | 1 | 1 | 1 |
| 8 | 1 | 2 | 1 | 2 | 1 |
| 9 | 1 | 2 | 1 | 1 | 1 |
| 10 | 1 | 2 | 1 | 1 | 1 |
| 11 | 1 | 2 | 3 | 2 | 1 |
| 12 | 1 | 2 | 3 | 1 | 1 |
| 13 | 1 | 2 | 3 | 1 | 1 |
| 14 | 1 | 2 | 3 | 2 | 1 |
| 15 | 1 | 2 | 3 | 1 | 1 |
| 16 | 1 | 2 | 4 | 1 | 1 |
| 17 | 1 | 2 | 4 | 1 | 1 |
| 18 | 1 | 2 | 4 | 1 | 1 |
| 19 | 2 | 4 | 1 | 1 | 1 |
| 20 | 2 | 4 | 1 | 1 | 1 |
| 21 | 2 | 4 | 2 | 1 | 2 |
| 22 | 2 | 4 | 3 | 1 | 1 |
| 23 | 2 | 4 | 4 | 1 | 1 |
| 24 | 2 | 4 | 4 | 2 | 1 |
| 25 | 2 | 4 | 4 | 1 | 1 |
| 26 | 2 | 3 | 1 | 2 | 1 |
| 27 | 2 | 3 | 1 | 1 | 2 |
| 28 | 2 | 3 | 1 | 2 | 2 |
| 29 | 2 | 3 | 1 | 2 | 1 |
| 30 | 2 | 3 | 1 | 1 | 1 |
| 31 | 2 | 3 | 2 | 1 | 2 |
| 32 | 2 | 3 | 2 | 1 | 2 |
| 33 | 2 | 3 | 2 | 2 | 2 |
| 34 | 2 | 3 | 3 | 1 | 1 |

*(Continue) Tally Sheet*

| | | | | | |
|---|---|---|---|---|---|
| 35 | 2 | 3 | 4 | 1 | 2 |
| 36 | 2 | 3 | 4 | 1 | 1 |
| 37 | 2 | 3 | 4 | 2 | 2 |
| 38 | 2 | 3 | 4 | 2 | 1 |
| 39 | 2 | 3 | 4 | 2 | 2 |
| 40 | 2 | 3 | 4 | 1 | 1 |
| 41 | 3 | 6 | 1 | 1 | 2 |
| 42 | 3 | 6 | 1 | 1 | 1 |
| 43 | 3 | 6 | 1 | 1 | 1 |
| 44 | 3 | 6 | 1 | 1 | 1 |
| 45 | 3 | 6 | 1 | 1 | 1 |
| 46 | 3 | 6 | 1 | 1 | 1 |
| 47 | 3 | 6 | 2 | 2 | 1 |
| 48 | 3 | 6 | 2 | 2 | 1 |
| 49 | 3 | 6 | 3 | 2 | 2 |
| 50 | 3 | 6 | 3 | 1 | 1 |
| 51 | 3 | 6 | 4 | 2 | 1 |
| 52 | 3 | 6 | 4 | 2 | 1 |
| 53 | 3 | 6 | 4 | 1 | 1 |
| 54 | 3 | 5 | 1 | 1 | 2 |
| 55 | 3 | 5 | 1 | 1 | 1 |
| 56 | 3 | 5 | 2 | 1 | 2 |
| 57 | 3 | 5 | 4 | 1 | 1 |
| 58 | 3 | 5 | 4 | 1 | 1 |
| 59 | 3 | 5 | 4 | 2 | 1 |
| 60 | 2 | 4 | 5 | 1 | 2 |
| 61 | 2 | 3 | 5 | 1 | 2 |
| 62 | 2 | 3 | 5 | 2 | 2 |
| 63 | 2 | 3 | 5 | 1 | 2 |
| 64 | 2 | 3 | 5 | 1 | 2 |
| 65 | 2 | 4 | 5 | 1 | 2 |
| 66 | 3 | 5 | 5 | 1 | 2 |
| 67 | 3 | 6 | 5 | 2 | 1 |
| 68 | 3 | 6 | 5 | 1 | 1 |
| 69 | 3 | 5 | 5 | 1 | 2 |
| 70 | 3 | 5 | 5 | 1 | 2 |
| 71 | 3 | 6 | 5 | 2 | 1 |
| 72 | 3 | 6 | 5 | 1 | 2 |
| 73 | 1 | 1 | 5 | 1 | 2 |
| 74 | 1 | 1 | 5 | 1 | 2 |
| 75 | 1 | 1 | 5 | 1 | 2 |
| 76 | 1 | 1 | 5 | 1 | 2 |

*(Continue) Tally Sheet*

| | | | | | |
|---|---|---|---|---|---|
| 77 | 1 | 1 | 5 | 1 | 2 |
| 78 | 1 | 1 | 5 | 1 | 2 |
| 79 | 1 | 2 | 5 | 1 | 1 |
| 80 | 1 | 2 | 5 | 1 | 1 |
| 81 | 1 | 2 | 5 | 1 | 1 |
| 82 | 1 | 2 | 5 | 1 | 1 |
| 83 | 1 | 2 | 5 | 1 | 1 |
| 84 | 1 | 2 | 5 | 1 | 1 |
| 85 | 1 | 2 | 5 | 1 | 1 |
| 86 | 1 | 2 | 5 | 1 | 1 |

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