

The Effects of Cultural Values in Word-of-Mouth Communication

Desmond Lam, Alvin Lee, and Richard Mizerski

ABSTRACT

When new products and brands are introduced into other cultures, the speed and extent of the product's acceptance are important concerns for marketers. The spread of positive word of mouth (WOM) and the lack of negative WOM about the product or brand by early adopter groups are critical to the product's successful diffusion in a population. This is the first study to investigate the effects of consumers' cultural values on their WOM behavior. Data analysis from two samples indicates that the pattern, type, and target receivers of consumers' WOM activity depend on their cultural values. The authors use Hofstede's four cultural dimensions to test the effects of cultural values on WOM behavior to social in- and out-groups. They find that all four dimensions have significant effects on WOM engagement to those groups. Although the authors could not determine the causal nature of the relationships because of the sample design used, they argue that marketers should monitor the cultural values of their market to anticipate in- and out-group discussions and the choice of appropriate brand communication strategies in other countries.

Keywords: culture, word of mouth, communication, consumer behavior

Firms that operate in industries with high levels of advertising and promotional clutter are finding that word of mouth (WOM) represents an important area of their products' communications activity (Plummer 2007). Previous research has reported that positive WOM accelerates new product and brand acceptance in new populations and significantly reduces brand promotional expenses in existing markets (Graham and Havlena 2007; Keller 2007; Traylor and Mathias 1983). Unfavorable WOM has been found to

impede a brand's acceptance and to erode its reputation (Holmes and Lett 1977). Unfortunately, a consumer's positive experiences with a product or brand are usually not enough to stimulate positive WOM about it (Gremler, Gwinner, and Brown 2001).

In an attempt to generate positive WOM behavior about a product, some marketers have tried to induce WOM by using traditional advertising and promotional efforts (Graham and Havlena 2007). These efforts cost more than \$981 million in 2007. This area of expenditure is the fastest-growing segment of the \$254 billion U.S. marketing services sector (PQ Media 2008).

Desmond Lam is Visiting Senior Research Fellow, School of Marketing, University of South Australia (e-mail: Desmond.Lam@unisa.edu.au).

Alvin Lee is Visiting Assistant Professor (e-mail: alvinlee@biz.uwa.edu.au), and Richard Mizerski is Winthrop Professor and University Chair in Marketing (e-mail: dickm@biz.uwa.edu.au), University of Western Australia.

Journal of International Marketing

©2009, American Marketing Association

Vol. 17, No. 3, 2009, pp. 55-70

ISSN 1069-0031X (print) 1547-7215 (electronic)

However, these efforts may be largely ineffective because only a small proportion of WOM has been linked to active commercial promotion activities (Mangold and Miller 1999). Despite its importance, WOM has remained one of the more neglected areas in marketing research (Bayus 1985; Buttle 1998; Silverman 2001).

Although many studies have examined the impact of culture on marketing, few have examined the effect of cultural values on consumers' WOM about products (Money, Gilly, and Graham 1998). This exploratory study tests whether cultural values based on Hofstede's (1980) work are effects in a sample's reported WOM about products. Developing an understanding of how cultural factors affect social group WOM transmission should aid managers in creating more proactive and targeted promotional programs. More effective management of WOM could improve a product category's or brand's acceptance and preference across consumer populations in various cultures. We give particular attention to testing the potential differences in WOM between in-group and out-group recipients of messages about products and brands.

PREVIOUS RESEARCH

WOM Advertising

Word-of-mouth advertising is defined as "an oral, person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, product, or service" (Arndt 1967, p. 66). It has often been reported that WOM has a significant influence on consumers' decisions to adopt a new product when WOM is positive (Rogers 2003; Sheth 1971) and to switch from the product or brand when receiving negative information or rumors (Bone 1992).

There is a long history of research into the general process of how WOM occurs. In 1898, Gabriel Tarde reported that conversations are "the strongest agent of imitation, of the propagation of sentiments, ideas, and modes of action" (Graham and Havlena 2007, p. 427). Word of mouth is the most influential source of information for the purchase of many household and food products (Katz and Lazarsfeld 1955) and is believed to be many times more effective than personal selling, newspapers, radio, and magazines (Herr, Kardes, and Kim 1991; Katz and Lazarsfeld 1955). This is because the WOM message is perceived as originating from an

unbiased third party (Mizerski 1982). Nonetheless, many negative rumors about brands seem to originate with a competitor (Koenig 1985). From these explanations, we infer that WOM is transmitted person to person through various media.

WOM, Diffusion, and Culture

Studies of WOM, culture, and product diffusion follow two streams: The first stream investigates the relationship between WOM and product diffusion (e.g., Graham and Havlena 2007; Keller 2007), and the second examines culture and product diffusion (e.g., Chandrasekaran and Tellis 2008; Yalcinkaya 2008). However, there is no study on the link between culture and WOM. We report the results of an investigation into this link.

In studies of WOM and product diffusion, WOM affects the diffusion of innovations (Rogers 2003) through the effects on brand adoption and consumer attitudes toward a new product (Keller 2007; Reingen 1987). Consumers use referrals as a tool to reduce the amount of information to be processed (Duhan et al. 1997) and to lessen anxiety (Hung and Li 2007) when deciding to adopt a product. Gatignon and Robertson (1986) indicate that WOM is also used socially to assert or share status.

The frequency and intensity of WOM depend on the types of products and markets being discussed (Gelb and Johnson 1995), the social networks involved (Alsop, Bassett, and Hoskins 2007; Frenzen and Nakamoto 1993; Reingen 1987), the relative social class of the person (Hugstad, Taylor, and Bruce 1987), and the personality (Feick and Price 1987) and culture (Money, Gilly, and Graham 1998) of the communicators. Cultural values often influence the nature of social networks (Smith 2007), but there is little empirical research on the impact of culture on the network of communicating WOM.

Social In- and Out-Groups

Consumers tend to place more trust in WOM from people they know personally (Keller 2007) in the form of in-groups. However, both in- and out-group WOM are important to product acceptance. Strong ties among members of an in-group would more likely activate product referral communication and help transmit information quickly within the group (Reingen and Ker-

nan 1986). Conversely, WOM with an out-group facilitates product information flow from one in-group to another group (Brown and Reingen 1987). Thus, out-group WOM is essential in new product diffusion because it moves information from an in-group level to the entire market (Smith 2007). The rate of WOM diffusion and the groups to which the WOM is spread may be affected by the population's cultural values.

Cultural Values and WOM

Culture is a conceptually complex idea that has defied a comprehensive and agreed-on definition (Inkeles and Levinson 1969; Kluckhohn 1961) for more than a century. Tylor (1891, p. 23) argues that culture is "a complex whole that includes knowledge, belief, art, morals, law, custom and other capabilities and habits acquired by man as a member of society." Hofstede (1980, p. 45) maintains that culture is "the collective programming of the mind, which distinguishes the members of one human group from another." These definitions suggest that consumers acquire culture from their society or group of affiliation.

Trompenaars (1994) views culture as the way that a group of people solved the problems that afflicted their society. The successful solutions were then adopted as being normal behavior or accepted standards and were gradually assimilated to become a part of acceptable culture. This suggests that culture is capable of change and that change is constant (Olivas-Lujan, Harzing, and McCoy 2004).

The concept of culture incorporates a system of shared meanings or values that can exert a strong influence on the objects, events, and ideas to which people attend and toward which they act and attribute value (Liu, Furrer, and Sudharshan 2001; Trompenaars 1994; Watkins and Liu 1996). People from different cultures are often expected to choose different groups, messages, and methods to effect transmission (Chow, Deng, and Ho 2000; Kale 1991). Therefore, we would expect that culture strongly influences channels by which WOM is communicated.

Research into the effects of culture on product diffusion has been mixed and sometimes contradictory. For example, Hofstede's (1980) power distance cultural dimension has been found to have both negative (Van Everdingen and Waarts 2003) and positive (Dwyer, Mesak, and Hsu 2005) effects on product diffusion.

This contradiction could be because these researchers studied the effects of culture on the diffusion of specific products and not the effects of culture on WOM.

Culture and the Target Group for WOM

Hofstede (1980) studied the employees of IBM, a multinational computer hardware firm, from 53 countries. He reported many differences in the employees' perceptions and working styles. Hofstede proposed that these differences reflected four independent cultural dimensions, labeling them individualism, masculinity, uncertainty avoidance, and power distance. Subsequently, Hofstede and Bond (1988) added a Confucian dynamism dimension (or Eastern/Oriental values). Hofstede (1991) also reported that these dimensions were useful for differentiating between within-culture subgroups, sometimes known as subcultures. Hofstede's constructs are posited to be reflective and, in general, are considered unidimensional (Bearden, Money, and Nevins 2006). However, despite the popularity of Hofstede's work, critics of his theory have demonstrated that the model can be difficult to apply consistently across all cultures and products (Yeh 1988). Moreover, Bearden, Money, and Nevins (2006) find that the model is multidimensional and lacks reliability in some applications.

Nonetheless, Hofstede's (1980, 1988) model is one of the most popular frameworks used for examining the effects of culture in marketing (e.g., Fam and Merrilees 1998; Liu, Furrer, and Sudharshan 2001; Mortenson 2002) and product adoption and diffusion rates between different countries. International marketers often use Hofstede's framework for cultural and market segmentation (Liu, Furrer, and Sudharshan 2001) and to compare cross-cultural receptivity with marketing communications (Kale 1991). In this study, we use Hofstede's (1980) cultural dimensions as an independent reflector for the transmission of WOM to in- or out-groups.

HYPOTHESES

Individualism

Researchers have paid the most attention to Hofstede's (1980) dimension of individualism–collectivism (e.g., Kagitcibasi 1997; Smith and Schwartz 1997). Individualism is the degree to which members within a society are integrated into groups. An individualist

culture exhibits a preference for a society in which individuals only take care of themselves and their immediate families.

In contrast, collectivism refers to societies in which individuals can expect their relatives, clans, or other in-groups to support them in exchange for being loyal to these groups. Collectivist cultures favor group rewards, while individualist cultures favor individual rewards. Personal and communal goals are more closely aligned in collectivist cultures than in individualist cultures (Triandis 1995). Allegiance to collectivism can be identified when group goals have priority over individual goals and to individualism when personal goals have priority (Hofstede 1980). Normative influences of others on decision making are expected to be much stronger in collectivist than individualist cultures.

Consumers in countries judged to be high-context cultures (Yaveroglu and Donthu 2002), or more individualist and masculine cultures (Steenkamp, Ter Hofstede, and Wedel 1999), experience a higher rate of new product diffusion. Yaveroglu and Donthu (2002) define high-context cultures as those that are highly individualist, low in power distance (more egalitarian), and low in uncertainty avoidance (seek risks). Low-context cultures are more collectivist and high in uncertainty avoidance. Therefore, we would expect that valuing individualism promotes WOM communications to both in- and out-groups, resulting in higher product diffusion rates compared with countries valuing collectivism.

According to Yaveroglu and Donthu (2002), consumers in collectivist low-context cultures are more likely to imitate each other in an effort to fit in to gain social standing and acceptance. These societies encourage social harmony and bonding within their in-group and also are more likely to exhibit greater trust for their in-group and to perceive a greater difference between their in- and out-groups (Triandis 1995). Limited out-group communication means that new product diffusion could be more difficult and slower in collectivist cultures. Highly collectivist cultures, such as Japan, tend to depend on WOM referrals from in-groups when doing business (Money, Gilly, and Graham 1998), with individuals participating in the referral process exhibiting high levels of brand loyalty. These findings on how WOM is spread in individualist and collectivist cultures lead to the following hypotheses:

H₁: The more a consumer values individualism, compared with collectivism, the more likely he or she is to engage in WOM with (a) an out-group and (b) an in-group.

Masculinity

Masculinity is a preference for valuing assertiveness, achievement, and material success. The opposite of this preference is femininity, or a tendency to prefer relationships, modesty, and caring for the weak (Hofstede 1980). Valuing masculinity favors competition and survival of the fittest, while valuing femininity favors solidarity and sympathy for the disadvantaged. Research by Steenkamp, Ter Hofstede, and Wedel (1999) and Dwyer, Mesak, and Hsu (2005) indicates that masculine cultures tend to experience higher rates of new product diffusion, suggesting that they communicate more with out-groups.

A new product's diffusion rate is largely a function of the early adopters spreading positive WOM (Takada and Jain 1991) to both their in- and out-groups. Weaker relationships (i.e., out-group) are bridges that link distinct in-groups together in the market system and are essential for fast product diffusion (Brown and Reingen 1987). We expect that people who value masculinity are more aggressive and therefore are more likely to voice their pleasure or displeasure about new products to those with weak ties (out-group). People who value cultural feminism are more likely to look inward to their in-group for solidarity than to out-groups.

Lam and Mizerski (2005) find that people with a high internal locus of control were more likely to engage in out-group WOM communication, while those with an external locus of control were more likely to engage in in-group WOM communication. The locus-of-control construct measures the degree to which people believe they have control over their own behavior and environment (Levenson 1974; Rotter 1966). Those with a high internal locus of control (internals) believe they have considerable influence over their own behavior and environment. In contrast, those with a high external locus of control (externals) believe they are dominated by external forces, such as fate, luck, or powerful others. Internals tend to be risk and achievement oriented and fit the profile of those valuing masculinity. Externals tend to have a greater need for affiliation and companionship and fit the profile of valuing femininity. Thus, we would expect that consumers who value masculinity are more likely to engage in WOM communication with their out-groups

compared with their in-groups. Therefore, we propose the following hypotheses:

H₂: The more a consumer values masculinity, compared with femininity, the more he or she is likely to engage in WOM with (a) an out-group and (b) an in-group.

Uncertainty Avoidance

Uncertainty avoidance is the extent to which a culture instills in its members the need to feel less comfortable in unstructured, novel, unknown, surprising, or unusual situations (Hofstede 1980). Cultures that value uncertainty avoidance try to minimize the possibility of such situations by favoring strict rules and principles. Accordingly, if members of this culture adhere to the rules, they will encounter tried and familiar situations.

Several studies incorporating the effects of Hofstede's (1980) cultural dimensions with the Bass product diffusion model (Bass 1969) have found a negative relationship between uncertainty avoidance and the adoption rates for new products (Van Everdingen and Waarts 2003; Yenyurt and Townsend 2003). Tellis, Stremersch, and Yin (2003) find that new products took off faster in countries with low levels of uncertainty avoidance, and Yaveroglu and Donthu (2002) show that countries with low levels of uncertainty avoidance tended to experience higher rates of innovative product diffusion. Because WOM with those of weak ties (e.g., out-groups) is essential for fast product diffusion from one distinct in-group to another, we would expect that it is more prevalent among consumers with lower levels of uncertainty avoidance.

People who value uncertainty avoidance do not accept changes as easily as those with low levels of uncertainty avoidance or high risk seekers. High levels of uncertainty avoidance can cause people to be withdrawn and to share information only with people they trust (e.g., their in-groups). Therefore, those that value uncertainty avoidance are more likely to engage in WOM with their in-groups, as compared with their out-groups.

In contrast, uncertainty-embracing (risk-taking) cultures favor opportunism. In general, these cultures are more tolerant of behaviors that are deemed to be deviant from others' behaviors. With fewer systems of rules and principles to rely on, low-uncertainty-avoidance cul-

tures tend to be more open to others and the ideas of others. Therefore, they are more likely to engage in WOM with their out-groups. This leads us to hypothesize the following:

H₃: The more a consumer values uncertainty avoidance, compared with embracing uncertainty, the more likely she or he is to engage in WOM with (a) an in-group and (b) an out-group.

Power Distance

Valuing power distance is the extent to which a society accepts and expects that the power in organizations and society is distributed in an unequal fashion (Hofstede 1980). Diffusion research has found a negative relationship between valuing power distance and the product diffusion rate (Van Everdingen and Waarts 2003; Yenyurt and Townsend 2003). Innovation is also high in countries with low power distance (Yaveroglu and Donthu 2002). These findings suggest that cultures that value power distance have low out-group WOM behavior.

Smith, Trompenaars, and Dugan (1995) show that cultures with low individualism and high power distance tend to have a lower internal locus of control (external). Given the findings by Lam and Mizerski (2005) that externals are more likely to engage in in-group WOM, we would expect that high power distance is positively associated with in-group WOM and negatively related to out-group WOM.

In high-power-distance cultures, inequalities are expected in society. This expectation encourages the notion that information sharing is also unequal. People with greater power are expected to maintain more information than people with less power. Those who score low in power distance are more likely to be less inhibited in expressing their ideas and views to others because they tend to view everyone as equal. Those who score high in power distance are more cautious in their group interactions, especially when dealing with people who are more powerful. Inequality in power prompts members with different power levels to belong to different groups. This environment creates more interaction (i.e., WOM) with those who belong to the same power level, that is, their in-group. These expectations suggest the following hypotheses:

H₄: The more a consumer values high power distance, compared with those who value low power distance, the more likely she or he is to engage in WOM with (a) an in-group and (b) an out-group.

Confucian Dynamism

As we mentioned previously, Hofstede and Bond (1988) added a fifth dimension to Hofstede's (1980) original four dimensions: Confucian dynamism (long-term versus short-term orientation). People with a long-term orientation (Western) are posited to embrace values such as thriftiness and persistence. This means that they are more likely to think of the future. That is, they tend to have a mind-set of "saving for a rainy day."

People with a short-term orientation (Eastern) place more emphasis on values such as respect for tradition and fulfilling social obligations. These types of people tend to focus more on past and present actions, rather than on future actions. The dimensions of Eastern and Western in Confucian dynamism do not lend themselves to clear hypotheses about how they would target a WOM communication. Previous studies by diffusion researchers have found contradictory results. For example, Van Everdingen and Waarts (2003) find a positive relationship between long-term orientation and product adoption rates, while Dwyer, Mesak, and Hsu (2005) find a negative association with adoption rate. Therefore, we do not test this dimension in this study.

RESEARCH METHOD

We used a survey to assess the diffusion of WOM. We used a sampling procedure similar to Hofstede's (1980) original data collection. However, instead of using employees of an international company as Hofstede did, we surveyed students enrolled in the same degree program and topic unit at the same university in different cities (i.e., Singapore and Perth, Australia) in which the program was offered. This sample frame helped control for intelligence, social class, and some aspiration factors but potentially captured differences in how the respondents valued the four cultural dimensions deemed to be critical here.

Both Singapore and Perth are economically developed but demographically different from each other and from their previous cultural orientations viewed by Hofstede (1980, 1988) 20 to 30 years ago. They now have a much

more diverse culture as a result of immigration. Therefore, it would be inappropriate to label the samples' cultural dimensions on the basis of Hofstede's previous surveys regarding countries. Instead, the respondents were asked to individually rate values from the cultural dimensions used by Hofstede (1980); we tested these values for their relationship to the respondents' reports of their in- versus out-group communication.

We conducted a pretest on the WOM constructs with 100 Australian respondents similar to those used in the main survey. We used eight questions to measure the respondents' attitudes and behavior when seeking and transmitting WOM to their in- and out-groups. This resulted in the rewording of several questions to increase clarity and reliability (see the Appendix).

The main survey was administered to samples on the Perth and Singapore campuses of an Australian public university with a significant number of international enrollments. Approximately 75% of the surveys were collected in Perth, with the remainder collected in Singapore. The resulting samples of 228 respondents were between 17 and 49 years of age ($M = 21.6$ years), and approximately 57% of the respondents were female.

In the Perth sample, 75% chose "Australian" as their nationality, though they or their immediate family were often immigrants to Australia. Respondents chose 28 different nationalities for the rest of the sample. Eleven Asian countries were represented in the two samples. Respondents from these Asian countries were the majority of non-Australians in the sample.

The survey consisted of 28 questions on cultural values and WOM activity that used a five-point Likert scale (1 = "strongly disagree," and 5 = "strongly agree"). These questions were adapted from Dorfman and Howell's (1988) study and were based on Hofstede's (1980) cultural dimensions. They have been used by Robertson and Hoffman (2000) with good Cronbach's alpha levels. From a preliminary analysis using factor models and interitem scale reliability analysis, we omitted several items with loadings below .4 from further analyses.

MODEL FIT AND RESULTS

To obtain a rough estimate of the association of Hofstede's (1980) four dimensions of cultural values with

reported nationality, we split the total sample into (1) a group of respondents who chose Western countries for their nationality and (2) a group of respondents (Eastern) who chose any of 11 Asian countries represented in the samples from both locations (Singapore and Perth). Comparisons of the two groups indicated that one of the four items measuring uncertainty avoidance was significantly different between the two groups ($F = 6.3$, $p = .004$). In contrast, three of the four items measuring power distance were significantly different ($p = .05$ to $p = .001$) between the groups. There were no significant differences in the individualism–collectivism and masculine–feminine dimensions of Hofstede’s cultural values. Although the two sampled cities have been portrayed as culturally different in prior research and were largely chosen for this reason, these samples did not reflect large differences in their cultural values. For further analyses, we evaluated the respondents by their ratings of the cultural values and their WOM group communication.

We conducted a confirmatory factor analysis using AMOS 7.0 to test the hypotheses. Then, we aggregated the Singapore and Perth samples for further analyses modeling the data. Structural equation modeling was chosen because it is particularly suited for model specification in that it facilitates the simultaneous use of multiple indicators and can account for measurement error in the model (Byrne 2001).

We used maximum likelihood tests to estimate the model’s measurement and structural parameters. Table 1 reports the standardized item, construct estimates, and coefficient alphas. Nunnally (1978) suggests that reliability levels of .6 to .7 are satisfactory in the early stage of research. Given the exploratory nature of this study, we determined that the model’s Cronbach’s alphas of .67 to .78 were adequate indicators of internal consistency. The congeneric reliability score (Graham 2006) shows reliability coefficients of between .69 and .80 for the constructs tested, in further support of the model’s adequate internal consistency.

Next, we tested aspects of the model’s convergent and discriminant validity. Convergent validity tests for the within-dimension interrelationships of measures. The measures correlated well within the model’s constructs, with significant factor loadings of .53 to .83. These are higher than the minimum of .5 needed to indicate satisfactory convergent validity (Campbell and Fiske 1959).

Discriminant validity tests for the degree to which concepts that are not theoretically interrelated are distinct and can be indicated by interfactor correlations that are significantly lower than 1.0 (Marsh and Hocevar 1983). The confirmatory factor analysis results reported in Table 2 show that except for one item (.72, $p \leq .01$), all interfactor correlations for the model were nonsignificant, indicating that the constructs are distinct from one another. The specified model was fully reflective, where in-group and out-group WOM constructs reflect cultural values. As Hofstede (1980) proposes and this study supports, cultural values are treated as independent and one dimensional.

We chose chi-square/degrees of freedom (CMIN/d.f.), comparative fit index (CFI), and root mean square error of approximation (RMSEA) as goodness-of-fit indicators to evaluate the estimated model’s fit to the data rather than the commonly used chi-square test. This is due to the chi-square’s well-documented sensitivity to sample size and non-normal distributions (Byrne 2001). The CMIN/d.f. fit measure had a ratio of less than 2.0 (1.4), which Brooke, Russell, and Price (1988) and Hoelter (1983) suggest indicates an excellent model fit to the data. Bentler (1990) recommends a minimum CFI value of .90 as an indication of good fit, and the CFI for the model is .93. Browne and Cudeck (1993) suggest that RMSEA values at or below .05 show good fit. This application showed an RMSEA of .04. We used Hoelter’s (1983) critical N test as a measure for adequate sample size. The critical N (197) indicated that the model had a sample large enough to adequately test the model. The results reported in Table 2 show that the model fits the data well.

We performed a test for common method variance by incorporating a latent common methods construct that reflected all the variables in the study (Podsakoff et al. 2003). The estimated common methods bias was 6.7%, well below the 15.8% bias that is the average for marketing studies (Podsakoff et al. 2003).

Table 2 also shows the structural parameter estimates and critical ratios for the hypothesized paths of the model. The sample respondents’ values of individualism, masculinity, power distance, and uncertainty avoidance were all found to be significant effects in WOM group engagement (Figure 1).

Valuing individualism had a strong (.94) significant ($p < .01$) and positive effect on out-group WOM. These

Table 1. Estimated Generalized Least Squares Parameters (Measurement Coefficients) and Reliability of the Model

| Construct | Original Number of Items | Number of Items After Screening | Final Item Number (See Appendix) | Standardized Parameter Estimate* | Cronbach's Alpha | Congeneric Reliability Score |
|-----------------------|--------------------------|---------------------------------|----------------------------------|----------------------------------|------------------|------------------------------|
| Independent | | | | | | |
| Individualism | 5 | 2 | 1 | .54 | .66 | .72 |
| | | | 2 | .91 | | |
| Uncertainty avoidance | 5 | 4 | 3 | .52 | .74 | .75 |
| | | | 4 | .71 | | |
| | | | 5 | .72 | | |
| | | | 6 | .64 | | |
| | | | 7 | .64 | | |
| Masculinity | 5 | 5 | 8 | .54 | .78 | .80 |
| | | | 9 | .78 | | |
| | | | 10 | .87 | | |
| | | | 11 | .43 | | |
| | | | 12 | .35 | | |
| | | | 13 | .43 | | |
| Power distance | 5 | 5 | 14 | .25 | .67 | .70 |
| | | | 15 | .89 | | |
| | | | 16 | .77 | | |
| | | | 17 | .64 | | |
| | | | 18 | .66 | | |
| Dependent | | | | | | |
| In-group WOM | 4 | 4 | 19 | .64 | .74 | .69 |
| | | | 20 | .41 | | |
| | | | 21 | .69 | | |
| | | | 22 | .55 | | |
| Out-group WOM | 4 | 4 | 23 | .71 | .67 | .68 |
| | | | 24 | .69 | | |

* $p < .001$.

Notes: The standardized parameter estimate is calculated using AMOS Congeneric Reliability procedure (see Graham 2006).

results support H_{1a}. The relationship between valuing individualism and in-group WOM was negative (-.36), as hypothesized, but it was not significant. Therefore, H_{2b} is not supported.

Valuing masculinity was not significantly related to out-group WOM. The path from masculinity to in-group WOM was positive and significant ($p < .01$), with a standardized regression weight of .97. This relationship was opposite to the direction hypothesized. Therefore, both H_{2a} and H_{2b} are not supported. The value of the masculine-feminine cultural dimension was only an unexpected negative effect in in-group WOM.

Respondents who valued uncertainty avoidance were significantly ($p < .01$) less likely to engage in WOM with an in-group (-.35). This relationship was opposite to the direction hypothesized in H_{3a}, but it was not statistically significant. The path from uncertainty avoidance to out-group WOM was also not significant. Therefore, both H_{3a} and H_{3b} are not supported. Valuing uncertainty avoidance had no effects on WOM group communications.

Valuing high power distance had a significant ($p < .01$) and positive effect on in-group WOM, with a standardized regression weight estimate of .98. This supports H_{4a}. However, the relationship of valuing high power

distance and out-group WOM was opposite to the direction hypothesized. Thus, H_{4b} is not supported.

SUMMARY, DISCUSSION, AND MANAGERIAL IMPLICATIONS

This study is the first to investigate empirically the effect of cultural values on a popular form of WOM communications. That is, WOM transmission patterns were related to people's cultural values. Several relationships were opposite to their hypothesized direction. The method showed that assumed cultural values based on residence and citizenship may not exist in many areas that have experienced a large influx of immigrants. The cultural identity of countries and their populations circa Hofstede in 1980 may be quite different 30 years later, as the values in the two samples from Singapore and Perth reveal.

Limitations

This research was conducted with a sample of undergraduate students from two countries enrolled in the same degree program and class in the program. Although this sample frame helped control for some factors, it does not provide the ability to extrapolate to other populations. More extreme cultural values might have been generated with more divergent societies and countries (e.g., Saudi Arabia, Mongolia, Tibet), but those insights may not have wide application for marketers.

Moreover, the respondents were early adopters of new products and services who, in general, tend to be difficult to reach through traditional media (Kotabe et al. 2005). They frequently find out about new products through their WOM behavior. However, the results of this study should only be applied to this demographic. Other demographics and factors that limit access to communication may result in different abilities and cultural values and spread WOM in a different way.

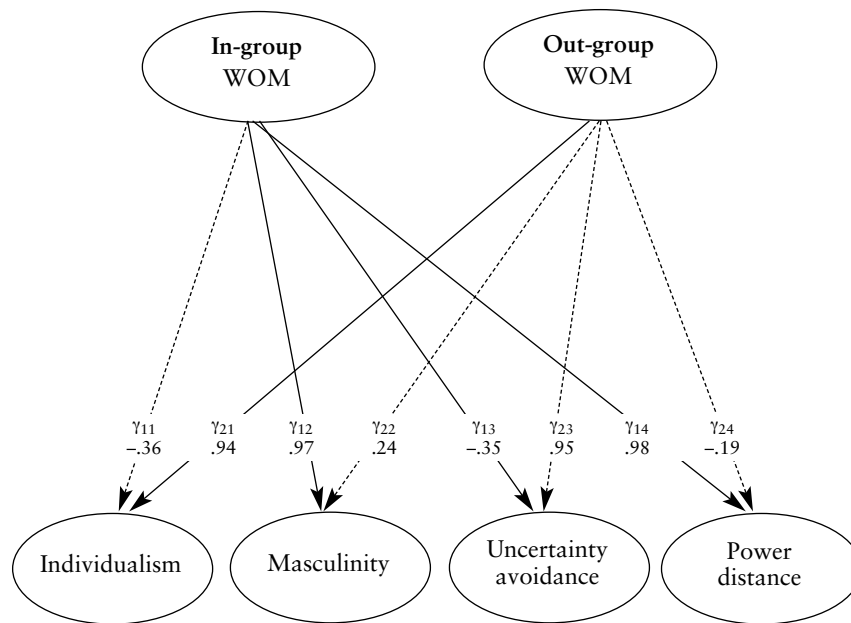
The items and measures used in the study are based on the work that Hofstede (1980) originally proposed. They need continued modification for contemporary language and the cultural values of new populations under investigation (Yeh 1988). In many countries, religion has a strong effect on the cultural values that tend to be expressed and the acceptance of the products to be sold (Muhamad 2008). Additional research should be conducted to study how religion reinforces cultural values beyond those that Hofstede discusses.

Table 2. Estimated Maximum Likelihood Parameters (Standardized Structural Coefficients) of the Model

| Description | Path | Standard Estimate (Critical Ratio) |
|-----------------------------------|---------------------------|------------------------------------|
| Dependent Construct | | |
| In-group WOM | γ ₁₁ | -.36 (-.79) |
| | γ ₁₂ | .97 (3.31)** |
| | γ ₁₃ | -.35(-1.89)** |
| | γ ₁₄ | .98 (3.28)** |
| Out-group WOM | γ ₂₁ | .94 (.47)** |
| | γ ₂₂ | .24 (.46) |
| | γ ₂₃ | .94 (.49) |
| | γ ₂₄ | -.19 (-.45) |
| | 23 ↔ 24 ^a | .57 (7.38)** ^a |
| | 23 ↔ 21 ^a | .25 (4.10)** ^a |
| | 21 ↔ 22 ^a | .50 (6.88)** ^a |
| | 21 ↔ 24 ^a | .20 (4.48)** ^a |
| | 20 ↔ 19 ^a | .27 (6.50)** ^a |
| | 20 ↔ 18 ^a | .18 (3.38)** ^a |
| | 20 ↔ 17 ^a | .28 (4.38)** ^a |
| | 19 ↔ 18 ^a | .33 (3.82)** ^a |
| | 19 ↔ 17 ^a | .30 (4.04)** ^a |
| | 18 ↔ 17 ^a | .36 (4.09)** ^a |
| | 15 ↔ 13 ^a | .18 (3.04)** ^a |
| | 10 ↔ 9 ^a | .42 (4.87)** ^a |
| 10 ↔ 7 ^a | .21 (2.87) ^a | |
| 2 ↔ 1 ^a | .48 (7.04)** ^a | |
| Goodness-of-Fit Statistics | | |
| CFI | .93 | CMIN 330.47 |
| RMSEA | .043 | d.f. 233 |
| Hoelter | 197 | CMIN/d.f. 1.41 |
| RMR | .034 | GFI .91 |

**p* < .05.
 ***p* < .01.
^aThese scale items were allowed to correlate (from theoretical rationale).
 Notes: RMR = root mean square residual, and GFI = goodness-of-fit index.

Figure 1. The Empirical Model and Hypothesized Relationships with Standard Loadings



Notes: Dashed lines indicate nonsignificant relationships.

Cultural Values and WOM

The more the respondents valued individualism, the more they reported a preference for spreading positive WOM to an out-group, but not to their in-group. Respondents in this sample who valued individualism may not feel strongly tied to their in-group. They may actually shun being part of any in-group because of their value of individualism, and thus perhaps they are more likely to spread WOM to other individualists who may form their out-groups.

According to the depiction of Hofstede (1980), respondents who value femininity and power distance would be expected to favor communicating positive WOM to their in-group. However, we found that those who value masculinity reacted opposite to that hypothesized. That is, they were more likely to engage their in-groups with WOM about products and brands than their out-groups. Van Everdingen and Waarts (2003) find some support for the positive relationship between masculinity and in-group WOM. That is, cultures that valued masculinity

had lower product adoption rates. Perhaps the preference for in-group WOM slows product adoptions in cultures valuing masculinity because they do not like to transmit potentially uncomfortable WOM to their out-groups. A person's high value of masculinity and high power distance can be correlated (e.g., Hofstede 1991). This colinearity may also drive some of the results.

We found that valuing uncertainty avoidance was negatively associated with in-group WOM. This finding is also opposite to that hypothesized. Previous studies have found that consumers from cultures that value uncertainty avoidance tend to share negative WOM with their in-group. However, consumers in high-uncertainty-avoidance cultures are also less likely to complain or engage in negative WOM (Liu, Furrer, and Sudharshan 2001). By their very nature, uncertainty-avoiding cultures resist change and tend to stick to established group-approved behavioral patterns. People in these cultures are less confrontational and seek group consensus when making decisions.

Perhaps people who value uncertainty avoidance try to maintain harmony and status within their in-group by reducing WOM. They may do so to avoid risking their long-term relationship with their in-group. To avoid giving product recommendations that may dampen a relationship, people with high uncertainty avoidance may simply reduce their in-group WOM. It may be only a particularly clear or threatening failure that prompts the spread of negative WOM.

These findings show that respondents belonging to each of Hofstede's (1980) four cultural dimensions use WOM in their new product-brand learning and adoption process. However, they appear to favor transmitting to and receiving different types of messages from the different groups. An organization that can successfully identify how its consumer base initiates WOM gains some ability to manage it. For example, when operating in a population or target market that tends to value uncertainty avoidance, the marketer needs to address the negative perceptions and WOM about the product using the correct information-processing strategy (Howell 2006). If there is a negative rumor about a brand, the marketer needs to choose the information-processing strategy and the correct group to target, realizing that WOM is suppressed in cultures that value uncertainty avoidance.

This article investigates the effects of Hofstede's (1980) four cultural dimensions on WOM behavior. Many contemporary cultures are made up of a blend of many cultural archetypes that may not lend themselves to being clearly segregated by these original cultural dimensions. For example, Singaporeans have been classified as exhibiting more feminine and collectivist cultural traits. However, Singaporeans predominantly speak English, have Western fast-food consumption habits, and watch American television shows and Hollywood blockbusters. They tend to wear blue jeans and frequent Starbucks outlets. In terms of consumption, they exhibit many Western tendencies. Hofstede and Bond (1988) note the grouping of people according to whether they "feel" Western versus Eastern values in the Confucian dynamism construct, and Dorfman and Howell (1988) use it as well. This grouping may provide a more robust method of profiling the major cultural factors that differentiate populations and countries.

Because WOM can have a significant influence on the sales of new and established products (Brown and Rein-

gen 1987), companies should closely monitor the WOM communication that occurs in specific consumer segments (Bayus 1985; Woodside and Delozier 1976). Holland and Gentry (1999) find that companies that used carefully targeted WOM initiators to specific ethnic segments could greatly enhance their overall marketing efforts. The current study finds support for this assertion and implies that the ethnic group's cultural values may be the reason for their response.

Although this study only tested for associations, cultural values may causally influence the consumers' willingness to pass on negative versus positive product information. Knowledge of how WOM works in groups with similar cultural values can help companies create an environment that produces additional customer referrals, higher diffusion rates, and increased share. This knowledge is also important for marketers targeting specific ethnic markets within countries, such as in increasingly culturally mixed societies (e.g., the United States, the United Kingdom, many European countries).

The support this study finds for the influence of culture does not rule out other explanations provided by factors not addressed here. For example, we did not test the effects of past behavior and personality, though these have significant coverage in other literature streams. It is possible that consumers' WOM behavior could change depending on the consumption context and the types of products being discussed. For example, products that are used discreetly (e.g., hygiene or erectile dysfunction products) or reflect poorly on the WOM communicator could be challenges the marketer must address. However, the issue and product may be a popular topic in consumer WOM in some cultures. Research into these areas would yield more comprehensive insights into how culture affects WOM communication about products and brands.

APPENDIX: SCALE ITEMS RETAINED FOR ANALYSIS

Individualism/Collectivism

1. Group welfare is more important than individual rewards.
2. Group success is more important than individual success.

Uncertainty Avoidance

3. Rules and regulations are important because they inform those who are working what the organization expects of them.
4. Standard operating procedures are helpful to those on the job.
5. Instructions for operations are important for those on the job.
6. Team managers expect their members to closely follow instructions and procedures.

Masculinity/Feminism

7. Meetings are usually run more effectively when they are chaired by a man.
8. Solving difficult problems usually requires an active forcible approach which is typical of men.
9. It is more important for men to have a professional career than it is for women.
10. It is preferable to have a man in a high level position than a woman.
11. Men solve problems with logical analysis, women solve problems with intuition.

Power Distance

12. Those in charge should make most decisions without consulting those who are not.
13. Those in charge should not delegate important tasks to those who are not.
14. Those not in charge should not disagree with the decisions of those in charge.
15. My life is chiefly controlled by powerful others.
16. I feel like what happens in my life is determined by powerful people.

In-Group WOM

17. I like introducing new brands and products only to my close friends or family.

18. I only provide information about new brands and products to my close friends or family.

19. I only gather information about a product before I buy from my close friends or family.

20. I like to seek advice or information only from my close friends or family when making a purchase decision.

Out-Group WOM

21. I share information about new brands and products with people other than my close friends or family.

22. I like to provide people, other than my close friends or family, with information about new brands and products.

23. I seek out the advice of people other than my close friends or family regarding which brands to buy.

24. I like to seek information and advice of people, other than my close friends or family, before making a purchase decision.

REFERENCES

- Alsop, Dee T., Bryce R. Bassett, and James A. Hoskins (2007), "Word of Mouth Research: Principles and Applications," *Journal of Advertising Research*, 47 (4), 398-411.
- Arndt, Johan (1967), "Role of Product-Related Conversations in the Diffusion of a New Product," *Journal of Marketing Research*, 4 (August), 291-95.
- Bass, Frank M. (1969), "A New Product Growth for Model Consumer Durables," *Management Science*, 15 (5), 215-27.
- Bayus, Barry L. (1985), "Word of Mouth: The Indirect Effects of Marketing Efforts," *Journal of Advertising Research*, 25 (3), 31-39.
- Bearden, William O., Bruce R. Money, and Jennifer L. Nevins (2006), "Multidimensional Versus Unidimensional Measures in Assessing National Culture Values: The Hofstede VSM 94 Example," *Journal of Business Research*, 59 (2), 195-203.
- Bentler, P.M. (1990), "Comparative Fit Indexes in Structural Models," *Psychological Bulletin*, 107 (2), 238-46.

- Bone, Paula Fitzgerald (1992), "Determinants of Word-of-Mouth Communications During Product Consumption," in *Advances in Consumer Research*, Vol. 19, John F. Sherry Jr. and Brian Sternthal, eds. Provo, UT: Association for Consumer Research, 579–83.
- Brooke, Paul P., Jr., Daniel W. Russell, and James L. Price (1988), "Discriminant Validation of Measures of Job Satisfaction, Job Involvement, and Organizational Commitment," *Journal of Applied Psychology*, 73 (2), 139–45.
- Brown, Jacqueline Johnson and Peter H. Reingen (1987), "Social Ties and Word-of-Mouth Referral Behavior," *Journal of Consumer Research*, 14 (December), 350–62.
- Browne, Michael W. and Robert Cudeck (1993), "Alternative Ways of Assessing Model Fit," in *Testing Structural Equation Models*, Kenneth A. Bollen and J. Scott Long, eds. Newbury Park, CA: Sage Publications, 136–62.
- Buttle, Francis A. (1998), "Word of Mouth: Understanding and Managing Referral Marketing," *Journal of Strategic Marketing*, 6 (3), 241–54.
- Byrne, Barbara M. (2001), *Structural Equation Modeling with AMOS: Basic Concepts, Applications, and Programming (Multivariate Applications Series)*. Mahwah, NJ: Lawrence Erlbaum Associates.
- Campbell, Donald T. and Donald W. Fiske (1959), "Convergent and Discriminant Validation by the Multitrait-Multimethod Matrix," *Psychological Bulletin*, 56 (2), 81–105.
- Chandrasekaran, Deepa and Gerard J. Tellis (2008), "Global Takeoff of New Products: Culture, Wealth, or Vanishing Differences?" *Marketing Science*, 27 (5), 844–60.
- Chow, Chee W., Johnny F. Deng, and Joanna L. Ho (2000), "The Openness of Knowledge Sharing Within Organizations: A Comparative Study of the United States and the People's Republic of China," *Journal of Management Accounting Research*, 12 (January), 65–95.
- Dorfman, Peter W. and John P. Howell (1988), "Dimensions of National Culture and Effective Leadership Patterns: Hofstede Revisited," in *Advances in International Comparative Management*, Vol. 3, R.N. Farmer and E.G. McGoun, eds. Greenwich, CT: JAI Press, 127–50.
- Duhan, Dale F., Scott D. Johnson, James B. Wilcox, and Gilbert D. Harrell (1997), "Influences on Consumer Use of Word-of-Mouth Recommendation Sources," *Journal of the Academy of Marketing Science*, 25 (4), 283–96.
- Dwyer, Sean, Hani Mesak, and Maxwell Hsu (2005), "An Exploratory Examination of the Influence of National Culture on Cross-National Product Diffusion," *Journal of International Marketing*, 13 (2), 1–28.
- Fam, Kim Shyan and Bill Merrilees (1998), "Cultural Values and Personal Selling," *International Marketing Review*, 15 (4), 246–56.
- Feick, Lawrence F. and Linda L. Price (1987), "The Market Maven: A Diffuser of Marketplace Information," *Journal of Marketing*, 51 (January), 83–97.
- Frenzen, Jonathan and Kent Nakamoto (1993), "Structure, Cooperation, and the Flow of Market Information," *Journal of Consumer Research*, 20 (3), 360–75.
- Gatignon, Hubert and Thomas S. Robertson (1986), "An Exchange Theory Model of Interpersonal Communication," in *Advances in Consumer Research*, Vol. 13, Richard J. Lutz, ed. Provo, UT: Association for Consumer Research, 534–38.
- Gelb, Betsy D. and Madeline Johnson (1995), "Word-of-Mouth Communication: Causes and Consequences," *Journal of Health Care Marketing*, 15 (3), 54–59.
- Graham, James M. (2006), "Congeneric and (Essentially) Tau-Equivalent Estimates of Score Reliability," *Educational and Psychological Measurement*, 66 (6), 930–44.
- Graham, Jeffrey and William Havlena (2007), "Finding the 'Missing Link': Advertising's Impact on Word of Mouth, Web Searches, and Site Visits," *Journal of Advertising Research*, 47 (4), 427–35.
- Gremler, Dwayne D., Kevin P. Gwinner, and Stephen W. Brown (2001), "Generating Positive Word-of-Mouth Communication Through Customer-Employee Relationships," *International Journal of Service Industry Management*, 12 (1), 44–59.
- Herr, Paul M., Frank R. Kardes, and John Kim (1991), "Effects of Word-of-Mouth and Product-Attribute Information of Persuasion: An Accessibility-Diagnosticity Perspective," *Journal of Consumer Research*, 17 (4), 454–62.
- Hoelter, Jon W. (1983), "The Analysis of Covariance Structures: Goodness-of-Fit Indices," *Sociological Methods & Research*, 11 (3), 325–44.
- Hofstede, Geert H. (1980), *Culture's Consequences: International Differences in Work-Related Values*. Beverly Hills, CA: Sage Publications.

- (1991), *Cultures and Organizations*. New York: McGraw-Hill.
- and Michael Bond (1988), “The Confucius Connection: From Cultural Roots to Economic Growth,” *Organizational Dynamics*, 16 (4), 5–21.
- Holland, Jonna and James W. Gentry (1999), “Ethnic Consumer Reaction to Targeted Marketing: A Theory of Intercultural Accommodation,” *Journal of Advertising*, 28 (1), 65–77.
- Holmes, John H. and John D. Lett Jr. (1977), “Product Sampling and Word of Mouth,” *Journal of Advertising Research*, 17 (5), 35–40.
- Howell, Gwyneth (2006), “Using the Informational Processing Paradigm to Design Commercial Rumour Response Strategies on the World Wide Web,” doctoral dissertation, School of Business, University of Western Australia.
- Hugstad, Paul, James W. Taylor, and Grady D. Bruce (1987), “The Effects of Social Class and Perceived Risk on Consumer Information Search,” *Journal of Services Marketing*, 1 (1), 47–52.
- Hung, Kineta H. and Stella Yiyang Li (2007), “The Influence of eWOM on Virtual Consumer Communities: Social Capital, Consumer Learning, and Behavioral Outcomes,” *Journal of Advertising Research*, 47 (4), 485–95.
- Inkeles, Alex and Daniel Levinson (1969), “National Character: The Study of Modal Personality and Sociocultural Systems,” in *Handbook of Social Psychology*, 4th ed., G. Lindzey and E. Aronson, eds. Cambridge, MA: Addison-Wesley, 3–126.
- Kagitcibasi, Cigdem (1997), “Individualism and Collectivism,” in *Handbook of Cross Cultural Psychology: Social Behavior and Applications*, Vol. 3, John W. Berry, Marshall H. Segall, and Cigdem Kagitcibasi, eds. New York: Allyn & Bacon, 1–49.
- Kale, Sudhir H. (1991), “Culture-Specific Marketing Communications: An Analytical Approach,” *International Marketing Review*, 8 (2), 18–30.
- Katz, Elihu and Paul Lazarsfeld (1955), *Personal Influence*. Glencoe, IL: The Free Press.
- Keller, Ed (2007), “Unleashing the Power of Word of Mouth: Creating Brand Advocacy to Drive Growth,” *Journal of Advertising Research*, 47 (4), 448–52.
- Kluckhohn, Florence (1961), *Variations in Value Orientations*. Westport, CT: Greenwood Press.
- Koenig, F. (1985), *Rumor in the Marketplace: The Social Psychology of Commercial Hearsay*. Dover, MA: Auburn House.
- Kotabe, Masaaki, Antony Peloso, Gary Gregory, Gary Noble, Wayne MacArthur, Cathy Neal, Andreas Riege, and Kristiaan Helsen (2005), *International Marketing: An Asia Pacific Focus*. Singapore: John Wiley & Sons.
- Lam, Desmond and Dick Mizerski (2005), “The Effects of Locus of Control on Word-of-Mouth Communication,” *Journal of Marketing Communications*, 11 (3), 215–28.
- Levenson, H. (1974), “Activism and Powerful Others: Distinctions Within the Concept of Internal–External Control,” *Journal of Personality Assessment*, 38 (4), 377–83.
- Liu, Ben Shaw-Ching, Olivier Furrer, and D. Sudharshan (2001), “The Relationships Between Culture and Behavioral Intentions Toward Services,” *Journal of Service Research*, 4 (2), 118–30.
- Mangold, W. Glynn and Fred Miller (1999), “Word-of-Mouth Communication in the Service Marketplace,” *Journal of Services Marketing*, 13 (1), 73–89.
- Marsh, Herbert W. and Dennis Hocevar (1983), “Confirmatory Factor Analysis of Multitrait-Multimethod Matrices,” *Journal of Educational Measurement*, 20 (3), 231–48.
- Mizerski, Richard (1982), “An Attribution Explanation of the Disproportionate Influence of Unfavorable Information,” *Journal of Consumer Research*, 9 (3), 301–310.
- Money, R. Bruce, Mary C. Gilly, and John L. Graham (1998), “Explorations of National Culture and Word-of-Mouth Referral Behavior in the Purchase of Industrial Services in the United States and Japan,” *Journal of Marketing*, 62 (October), 76–87.
- Mortenson, Steven T. (2002), “Sex, Communication Values, and Cultural Values: Individualism-Collectivism as a Mediator of Sex Differences in Communication Values in Two Cultures,” *Communication Reports*, 15 (1), 57–71.
- Muhamad, Nazlida (2008), “Muslim Consumers’ Motivation Towards Islam and Their Cognitive Processing of Performing Taboo Behaviors,” doctoral dissertation, Business School, University of Western Australia.
- Nunnally, Jum (1978), *Psychometric Theory*. New York: McGraw-Hill.
- Olivas-Lujan, Miguel R., Anne-Wil Harzing, and Scott McCoy (2004), “September 11, 2001: Two Quasi-Experiments on the

- Influence of Threats on Cultural Values and Cosmopolitanism," *International Journal of Cross Cultural Management*, 4 (2), 211–28.
- Plummer, Joseph T. (2007), "Word of Mouth—A New Discipline?" *Journal of Advertising Research*, 47 (4), 385–86.
- Podsakoff, Philip M., Scott B. MacKenzie, Jeong-Yeon Lee, and Nathan P. Podsakoff (2003), "Common Method Biases in Behavioral Research: A Critical Review of the Literature and Recommended Remedies," *Journal of Applied Psychology*, 88 (5), 879–903.
- PQ Media (2008), "Word-of-Mouth Marketing Spending to Top \$1 Billion in 2007," (accessed January 31, 2008), [available at <http://www.marketingcharts.com/interactive/word-of-mouth-marketing-spending-to-top-1-billion-in-2007-2424/>].
- Reingen, Peter H. (1987), "A Word-of-Mouth Network," in *Advances in Consumer Research*, Vol. 14, Melanie Wallendorf and Paul Anderson, eds. Provo, UT: Association for Consumer Research, 213–17.
- and J.B. Kernan (1986), "Analysis of Referral Networks in Marketing: Methods and Illustration," *Journal of Marketing Research*, 23 (November), 370–78.
- Robertson, Christopher J. and James J. Hoffman (2000), "How Different Are We? An Investigation of Confucian Values in the United States," *Journal of Management Issues*, 12 (1), 34–47.
- Rogers, Everett M. (2003), *Diffusion of Innovations*, 5th ed. New York: The Free Press.
- Rotter, Julian B. (1966), "Generalized Expectancies for Internal Versus External Control of Reinforcement," *Psychological Monographs: General and Applied*, 80 (1), 1–28.
- Sheth, Jagdish N. (1971), "Word-of-Mouth in Low Risk Innovations," *Journal of Advertising Research*, 11 (3), 15–18.
- Silverman, George (2001), "The Power of Word of Mouth," *Direct Marketing*, 64 (5), 47–52.
- Smith, Peter B. and Shalom. H. Schwartz (1997), "Values," in *Handbook of Cross-Cultural Psychology*, Vol. 3, G. Lindzey and E. Aronson, eds. Boston: Allyn & Bacon, 77–118.
- , Fons Trompenaars, and Shaun Dugan (1995), "The Rotter Locus of Control Scale in 43 Countries: A Test of Cultural Relativity," *International Journal of Psychology*, 30 (3), 377–400.
- Smith, Ted (2007), "Reconsidering Models of Influence: The Relationship Between Consumer Social Networks and Word-of-Mouth Effectiveness," *Journal of Advertising Research*, 47 (4), 387–97.
- Steenkamp, Jan-Benedict E.M., Frenkel ter Hofstede, and Michel Wedel (1999), "A Cross-National Investigation into the Individual and National Cultural Antecedents of Consumer Innovativeness," *Journal of Marketing*, 63 (April), 55–69.
- Takada, Hirokazu and Dipak Jain (1991), "Cross-National Analysis of Diffusion of Consumer Durable Goods in Pacific Rim Countries," *Journal of Marketing*, 55 (April), 48–54.
- Tellis, Gerard J., Stefan Stremersch, and Eden Yin (2003), "The International Takeoff of New Products: Economics, Culture, and Country Innovativeness," *Marketing Science*, 22 (2), 188–208.
- Traylor, Mark and Alicia Mathias (1983), "The Impact of TV Advertising Versus Word-of-Mouth on the Image of Lawyers: A Projective Experiment," *Journal of Advertising*, 12 (4), 42–49.
- Triandis, Harry C. (1995), *Individualism and Collectivism: New Directions in Social Psychology*. Boulder, CO: Westview Press.
- Trompenaars, Fons (1994), *Riding the Waves of Culture—Understanding Diversity in Global Business*. Burr Ridge, IL: Irwin Professional Publications.
- Tylor, Edward Burnett (1891), *Primitive Culture*. London: Murray.
- Van Everdingen, Yvonne M. and Eric Waarts (2003), "The Effect of National Culture on the Adoption of Innovations," *Marketing Letters*, 14 (3), 217–32.
- Watkins, Harry S. and Raymond Liu (1996), "Collectivism, Individualism and In-Group Membership: Implications for Consumer Complaining Behaviors in Multicultural Contexts," *Journal of International Consumer Marketing*, 8 (3–4), 69–87.
- Woodside, Arch G. and M. Wayne Delozier (1976), "Effects of Word-of-Mouth Advertising on Consumer Risk Taking," *Journal of Advertising*, 5 (4), 12–19.
- Yalcinkaya, Goksel (2008), "A Culture-Based Approach to Understanding the Adoption and Diffusion of New Products Across Countries," *International Marketing Review*, 25 (2), 202–214.
- Yaveroglu, Idil S. and Naveen Donthu (2002), "Cultural Influences on the Diffusion of New Products," *Journal of International Consumer Marketing*, 14 (4), 49–63.

Yeh, Ryh-Song (1988), "Values of American, Japanese and Taiwanese Managers in Taiwan: A Test of Hofstede's Framework," in *Academy of Management Best Papers Proceedings*. Briarcliff Manor, NY: Academy of Management, 86–90.

Yeniyurt, Segun and Janell D. Townsend (2003), "Does Culture Explain Acceptance of New Products in a Country?" *International Marketing Review*, 20 (4), 377–96.

THE AUTHORS

Desmond Lam is Visiting Senior Research Fellow in the School of Marketing at University of South Australia. He holds a PhD (marketing) from the University of Western Australia and an MBA from the University of Melbourne. Lam has more than six years of university teaching experience across Australia, Macau (China), Malaysia, and Singapore. He currently serves on the editorial board of *Journal of Hospitality Marketing and Management* (formerly *Journal of Hospitality and Leisure Marketing*). In addition, he has reviewed papers for *Journal of Gambling Studies*, *Tourism Management*, *Journal of Social and Personal Relationships*, *Asia Pacific Journal of Marketing and Logistics*, and Association for Consumer Research and

American Marketing Association conferences. His research has been published in several journals, including *Marketing Letters*, *Psychology & Marketing*, *Journal of International Consumer Marketing*, *Journal of Marketing Communications*, and *Journal of Gambling Studies*.

Alvin Lee is Visiting Assistant Professor at University of Western Australia. His research interests are in international marketing, marketing communications, quantitative modeling and methodologies, econometric theory, marketing strategy, and consumer behavior. Lee's interests include how marketing communications affect adolescents and their decision making and how origin, culture, and geography affect their choices.

Dick Mizerski is Winthrop Professor and University Chair in Marketing at the University of Western Australia. His research primarily focuses on the effects of the marketing communications of consumer vices (tobacco, alcohol, and gambling) on buyers and consumers, in particular on adolescents and young children. Mizerski's interests also include how different cultures form equity toward brands and the use of imagery and premiums in that process.