PRINCIPLES OF INTERNATIONAL MARKETING

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Case 1: Examining the effect of mental representations on consumer behavior in the K-pop market: Mental representations and sociocultural impact

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Supervisors: Alexander Josiassen and Florian Kock

Examining the effect of mental representations on consumer behavior in the K-pop market: Mental representations and sociocultural impact

Introduction

As humans, we evaluate our surroundings on a continues basis. We build mental representations based on visual, auditory, kinesthetic, and olfactory inputs (Lecture 2, Slide 9). Furthermore, our emotional response is highly connected to our cognitive processes and therefore comprehension (Lazarus, 1984). Given the connection between emotion and cognition, mental representations are highly relevant when analyzing consumer behavior and the impact caused by the sociocultural setting.

The purpose of this paper is to research: **How does mental representations shape consumer behavior in K-pop culture?** For this reason, it is appropriate to apply The Lazarus Theory to evaluate the creation of mental representations, and assess the effect on consumer behavior in the K-pop market. Likewise, The Balancing Theory is appropriate to highlight common behavior as a result of certain mental representations. Additionally, The Sociocultural Theory is applied in order to discuss the impact of cultural norms, values and expectations on consumer behavior and mental representations.

If marketing managers wish to target the appropriate segments and develop an efficient marketing strategy, it is essential that they understand the underlying mechanisms and tendencies of the consumer. Therefore, marketing managers should seek to understand the emotional and cognitive responses that their products evoke in consumers. Likewise, marketing managers will be able to leverage their local understanding of a market if they are aware of the effect that cultural factors may have on a given consumer's mental representation.

The optimal approach would be to conduct market research in various parts of the world, that uses an appropriate scale to measure how mental representations are connected to consumer behavior. This could be achieved through statistical analysis of quantitative data. However, since this is beyond the scope of this paper, I will provide insight into the connection between mental representations and consumer behavior, in the K-pop market.

The underlying mechanisms of Mental Representations: Balancing Theory

In order to understand how mental representations might affect consumer behavior, it is useful to understand the underlying mechanisms of mental representations: cognitions and emotions.

Rational representations of knowledge, attitudes and expectations are called cognitions. Our cognitions affect how we store experiences in our memory and are a crucial part of how we interpret our surroundings. Emotions are irrational representations of our feelings and affective states (lecture 2, slide 8). Furthermore, mental representations that are used to store knowledge reserved for a specific concept or event are called schemas and they allow us to predict what is going to happen based on past experiences (lecture 2, slide 19).

Another important aspect of an individual's mental state to consider is the mental discomfort that can occur when our behavior contradicts our beliefs and attitudes. This is a phenomenon known as cognitive dissonance (lecture 2, slide 21). As a result, people seek out relationships that are consistent with their own beliefs and attitudes and avoid those that are unharmonious. Alternatively, people might adjust the importance attributed to certain beliefs and attitudes, in order to balance their cognitions. This is known as The Balancing Theory (Lecture 2, slide 22).

In the K-pop culture, many different cognitions and emotions are represented. An obvious connection between mental representations and K-pop is the visual and auditory sources, i.e., fans of K-pop tend to have a positive attitude towards the music and music videos because of the catchy rhythm and choruses (Statista Research Department, 2022). Due to the predictable nature and structure of K-pop music, it would be reasonable to assume that fans process K-pop songs as schemas. This accentuates the notion that fans associate K-pop music with something positive because the predictability will evoke positive emotions for the listeners. Likewise, social values and goals are linked to emotions (Lazarus, 1984). Therefore, The Balancing Theory suggests that fans that have similar tastes and preferences in terms of K-pop build groups around this common positive perception.

Since individuals tend to seek balance between cognition and behavior, it is appropriate to assume that fans will engage in purchase of products that represent their own beliefs, values

and expectations. Likewise, cognitive dissonance may be present in individuals who praise Kpop but do not engage in any fan-related purchases or activities. Thus, merchandise is highly connected to the consumers' cognitions towards K-pop, as illustrated by the following quote: *"K-pop companies produce photobooks, T-shirts, sweatshirts, caps, and jewelry to meet the demands of all of their followers."* (Case 1, p. 2). This behavior leads to positive experiences that are closely connected to the music and merchandise. Therefore, the fans are likely to associate future experiences with positive memories.

Implication on consumer behavior: The Lazarus Theory and Sociocultural Theory

The Lazarus Theory, also known as the Cognitive Appraisal Theory, states that emotions are a product of a cognitive appraisal process based on our individual goals, needs, and values. Therefore, emotions are not our immediate reaction to events but rather a response to our evaluation of the event itself. The appraisal process, and therefore the following emotional response, consists of three steps: 1) An assessment of the personal relevance of the event, 2) An assessment of the congruence of the event with the goals of the individual, 3) Whether the individual is able to cope with the stimulus (Lazarus, 1991, as cited in Lecture 2, slide 45).

The emotional response of individuals may vary according to cultural background and is, therefore, not consistent in every culture around the world. The Sociocultural Theory argues that emotions are based on a society's cultural norms, values, and expectations. Thus, when evaluating the appraisal process of an individual, it is essential to determine the emotional response with regards to their cultural background (Jack, R. E., Garrod, O. G., Yu, H., Caldara, R., & Schyns, P. G., 2012, as cited in Lecture 2, slide 44).

To understand the fascination with K-pop around the world, it is beneficial to evaluate the cognitive appraisal process of the fans. As stated earlier, individuals tend to seek out relationships that are consistent with their beliefs and values. This is highly related to assessing the personal relevance of engagement in K-pop culture for the fans. Since K-pop fans have a common interest, it is natural to assume that they might also share certain values and beliefs. This underlines the perception that it is personally relevant for fans to engage in a community and build various fanbases around the world (Case 1). A significant part of K-pop culture is the

materialistic engagement of the fans in the purchasing and collecting of merchandise. Hence, collecting merchandise is congruent with their personal goal of belonging in a group and expressing their positive beliefs and values around the K-pop culture. This is further supported by the fact that fans tend to buy limited edition items for up to triple the retail price in order to emphasize their positive attitude towards their heroes within K-pop (Case 1).

However, the emotional response following the purchase may rely on the individual's financial situation. Thus, whether the emotional response is negative or positive relies significantly on the individual's ability to cope with the event. If the fan is not able to afford the items, they will likely have a negative emotion towards the stimulus. Consequently, they have to adjust their beliefs or endure the mental discomfort that comes with not buying a product - or doing so without being financially able. However, if fans are financially able to engage in the K-pop culture they are likely to have a positive emotional response by buying merchandise and expressing their interests.

While K-pop fans may have certain similarities across cultures, it is important to be aware of the cultural differences within the K-pop fan-culture. Even though K-pop is from Korea, it has expanded its' fanbase internationally, with the "... most fans in Southeast Asia, Mexico, Brazil, U.S., and Japan" (Case 1, p. 2). Consumers in these countries are affected by different cultural norms, values and expectations. However, the main reason (56,8%) that fans like K-pop are not based on cultural factors but rather based on the music itself or the appearance and attitude of the performers (Statista Research Department, 2022). Nevertheless, it is important to consider the consumer differences that may be present in different cultures. An American consumer may not engage in fan-culture or purchase of merchandise the same way a Japanese consumer does.

Thus, it is essential to consider the cognitive process and following emotional response on a cultural basis when trying to determining consumer behavior of K-pop fans. Fans from different countries may not hold the same values or attribute the same importance to the same areas.

Conclusion for marketing managers

Consumer behavior is highly relevant for international marketing managers to consider. Furthermore, consumer behavior is partially shaped by mental representations and processes, as well as cultural norms and expectations. Thus, marketing managers should be aware of the similarities and the differences that occur in the K-pop culture, if they wish to develop an effective marketing strategy. Likewise, the implications of culture can affect consumer behavior in K-pop culture internally, as well as externally. Therefore, it is crucial that marketing managers are able to predict what strategies they can apply across cultures and what approaches they need to modify in order to meet different cultural norms and values.

Since fans like to be part of a larger group with similar interest, marketing managers should cater to this preference. This is achievable through the sale of merchandise that lets fans explicitly express their positive attitude towards K-pop. Furthermore, the inclusion of merchandise leverages the collectible aspect of associating with a certain group. Consumers have come to expect a certain product and this predictability is associated with positive memories and emotions for the K-pop fans. Therefore, marketing managers should be wary of sudden changes in their marketing mix, as this will challenge consumers' schemas.

Additionally, marketing managers have to be observant of the general attitude and emotional response of the targeted segments. Highlighting the personal relevance and goal congruence of the product towards the chosen segment can be a valuable tool to assess if modifications are appropriate. Thus, marketing managers should seek to generate continuity between personal relevance for the consumers and manage to fit their goals as well. However, monitoring the emotional response of the consumers is equally as important, as that will determine their perception of future encounters with the product.

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Examining consumer behavior following the Russian invasion of Ukraine: The Attraction-Repulsion Matrix and The Affinity-Animosity Place solidarity Model

Introduction

The ongoing conflict following the Russian invasion of Ukraine has brought a multitude of reactions from consumers, firms, and governments. Many companies withdrew their operations in Russia in response to the invasion and several governments imposed sanctions that impacted the Russian economy. Likewise, consumer behavior was affected by the conflict and is still an important factor to consider for marketing managers (Josiassen, A., Kock, F., Assaf, A. G., & Berbekova, A., 2023).

The purpose of this paper is to analyze: **How is consumer behavior affected by war?** Analyzing and evaluating consumer behavior of different consumer types is therefore a fitting approach to understand the likely reactions following political conflict. This is done by applying The Consumer Attraction-Repulsion Matrix (Josiassen, 2011) in the context of the Russian invasion of Ukraine. Furthermore, The Affinity-Animosity Place solidarity Model is used to discuss the potential reaction from international consumers in regards to products that are associated with political conflict and war (Josiassen et al, 2023).

Marketing managers risk an international boycott of their products or a negative attitude towards their operations, if they do not act in the interest of their stakeholders. (Josiassen et al, 2023) Therefore, it is essential that international marketing managers are able to develop an understanding of consumer types and their likely reaction to political tensions. Furthermore, this will facilitate the ability to develop appropriate marketing strategies, segmentations, and mixes in response to political conflicts taking place around the world.

Ideally, research should investigate multiple different political conflicts, thereby examining various national consumer behaviors throughout history. Such research could be facilitated through qualitative interviews of consumers who have a connection to involved nations, as well as quantitative questionnaires regarding consumer attitudes towards appropriate countries.

However, since this is beyond the resources of this paper, it will underline key factors to consider for companies that are present in countries with former or current political conflicts.

Consumer behavior following political conflict: The Affinity-Animosity Place solidarity model

To develop an understanding of consumer behavior following war, it is useful to group consumer types into different categories. This is exactly what The Affinity-Animosity place solidarity model does. The model is based on five different attitudes: sympathy, attachment, admiration, accommodating, and contending, as well as their connection to tourism affinity and tourism animosity. Furthermore, the level of solidarity towards Ukraine is explained as a product of animosity or affinity towards the involved countries (Josiassen et al, 2023). Consumer animosity and affinity is concerned with consumers' attraction or repulsion towards a foreign country. Animosity is defined as repulsion towards a foreign country, whereas affinity is defined as attraction towards a foreign country.

Sympathy, attachment, and admiration all reflect positive emotions. Thus, they are represented in consumers that have an affinitive attitude towards a certain country. Although contending and accommodating emotions are both reflected as negative, they differ in approach. Contending emotions are conflict-seeking, whereas accommodating emotions are conflict-avoiding (Josiassen et al, 2023).

When evaluating the reaction of consumers following the Russian-Ukrainian conflict, it is central to understand the fundamental attitudes of consumers. The media coverage of the war meant that many different consumers from various countries were exposed to the conflict. Many consumers developed sympathy towards Ukraine based on their perception of the conflict (Josiassen et al, 2023). In addition, consumers are likely to experience an increased attachment and admiration of Ukraine. Collectively, these factors play a significant role in the positive development of consumer affinity towards Ukraine. However, it is only logical to assume that consumers in countries that tend to support Russia rather than Ukraine, e.g., China (CNN, 2022), are more likely to develop consumer affinity towards Russia.

As a result of the war, consumers are faced with a choice of whether or not to react and change their current behavior. On the one hand, consumers that have strong contending emotions are likely to punish a country for engaging in political conflict with another country. This may involve support of sanctions or expressing negative opinions through word-of-mouth. Subsequently, negative contending emotions will damage companies that are operating in countries that are engaged in a war. On the other hand, consumers with strong accommodating emotions are likely to withdraw their presence and involvement with said country, as they seek to avoid the conflict altogether.

The consumer behavior associated with animosity and affinity supports the notion that stakeholders are likely to punish firms that are active in Russia following the invasion of Ukraine. However, it may also be the case that consumers show support for Ukraine, as a reaction to the war. Actually, consumer behavior is primarily influenced by the positive attitude towards Ukraine rather than the negative attitudes towards Russia. One example is individuals around the world who book Airbnb accommodations in Ukraine to show support (Josiassen et al, 2023).

Consumer behavior according to different consumer types: The Consumer Attraction-Repulsion Matrix

In order for marketing managers to understand individual consumer behavior and thus the appropriate segments to target, it is useful to group consumers into categories. Consumer behavior can be described as a product of their potential attraction or repulsion towards a certain country. The consumer attraction-repulsion matrix distinguishes between similarity-attraction and dissimilarity-repulsion. The matrix consists of four different quadrants: 1) consumer ethnocentrism, 2) consumer disidentification, 3) consumer affinity, and 4) animosity (Josiassen, 2011).

Consumer ethnocentrism is defined as attraction towards one's own country. Naturally, a majority of consumers whose country is involved in a war are prone to support their own country in terms of purchasing behavior. Furthermore, policymakers are likely to impose sanctions that prohibit the involved countries from engaging in trade during a period of war. Similarly, ethnocentric consumers that live in countries that support Ukraine, will tend to also

show support for Ukraine. On the contrary, consumer disidentification, which is repulsion towards one's domestic country, is likely to have the opposite effect on consumer behavior. If an individual's subgroup identity (i.e., religion, political views, demographic, etc.) differs from their national identity, they are prone to be affected by consumer disidentification. Hence, consumer disidentification is very prominent with immigrants (Josiassen, 2011). Consequently, it is fair to assume that some Russians who live in western countries may not agree with the general view of the western public on the Russian-Ukrainian conflict. As a result, they might make an effort to purchase Russian products or support companies that are active in Russia, regardless of the dominating domestic opinion.

Attraction towards a foreign country may be caused by many different factors, as mentioned earlier. Following the war in Ukraine, people are constantly reminded of the implications that the Russian invasion has brought. Furthermore, economic and political ramifications have also been prominent in many other countries (OECD, 2022). Thus, the war may lead to development or increased strength of consumer affinity. Whether a consumer is attracted towards Russia or Ukraine will depend on their domestic country and how the war affects their lives. Consumer animosity is related to anger towards specific events (Josiassen, 2011). Therefore, animosity can be prominent with consumers that are exposed to ramifications of a war. Moreover, since consumers boycott certain countries due to war, they may knowingly choose not to buy a product, even though it is superior in quality to the ones offered by other countries (Josiassen, 2011).

The attraction-repulsion matrix illustrates that the effect of consumer behavior is influenced by the type of consumer, the consequences of the war on their own country, and their attitude towards the involved countries. Therefore, it is essential to have a thorough understanding of the political environment and consumer attitudes that are present within different consumer segments.

Conclusion for marketing managers

The implications of the Russian-Ukrainian war have undeniably affected consumer behavior. However, the exact effect is highly reliant on the political views and attitudes of the individual. Therefore, marketing managers should group individuals into certain categories so they can target segments effectively. If marketing managers are operating in the western world and in Russia, they need to consider how their presence in Russia is perceived by different consumer groups. Likewise, marketers should assess whether or not consumers are likely to punish the company for operating in a country that is involved in war.

Since consumer affinity towards Ukraine is very prominent, marketing managers may leverage a position of support towards Ukraine by explicitly emphasizing their own attitude. As a result, this might gain acceptance and trust from like-minded consumers. However, international marketing managers should also be aware of the opposing views that may exist in different countries, as they are unable to please all consumer groups at the same time. Therefore, marketing managers should carefully target segments where they can best accommodate the present attitudes and values.

Ultimately, consumer behavior is likely to change when war arises. Thus, marketing managers should be able to adapt their strategy and marketing mix accordingly. If marketing managers fail to adapt, they may face retaliation from consumers who choose to boycott or express their dislike with the company. Furthermore, policy-makers should also be aware of the changing attitudes that arise in consumer groups, as their actions directly affect the consumer behavior. Also, government-imposed sanctions might limit the ability for firms to interact in certain markets. Therefore, it also affects consumers' ability to support or punish companies operating in these markets. Hence, marketing managers need to consider the implications of political decisions within the markets that they are already operating in.

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