

Wait for it: How do wealth and culture guide international product rollouts?

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How do wealth and culture affect the international success of a new product, especially for those nations that have to wait? According to a new study in the *Journal of International Marketing*, national wealth and cultural characteristics such as individualism play a large part in citizens' enthusiasm and patience for new products.

"Even if they have to wait, consumers in wealthy countries are less hesitant to spend money on new <u>products</u>. Cultural factors such as individualism increase patience for adopting new products because of the high value placed on social uniqueness," suggest authors David A. Griffith (Lehigh University), Goksel Yalcinkaya (University of New Hampshire), and Gaia Rubera (Bocconi University).

The authors examined the success of hundreds of movies which were first debuted in the United States, and then introduced abroad. They found that consumers in wealthier countries are better able to afford going to movies, and didn't mind waiting longer than other countries when necessary for the movie to reach them.

Cultural traits in a particular country such as a strong sense of individualism and independence increased movie attendance. This also may mean, however, that new products won't gain early momentum as quickly in highly individualistic cultures, as the connections between consumers are not as strong and there is less pressure to conform.

"Our findings shed light on how economic wealth and specific elements



of national culture should guide the release of a <u>new product</u> to a specific country. This can improve a company's ability to accurately forecast demand for the product," the authors conclude."

More information: David A. Griffith, Goksel Yalcinkaya, and Gaia Rubera. "Country-Level Performance of New Experience Products in a Global Rollout." Forthcoming in the *Journal of International Marketing*.

Provided by American Marketing Association

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