

GLOBAL TOPOLOGY



White Paper
introduction
Cross Cultural
Digital Analysis
2022



International growth with cultural insights in online marketing

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Introduction

Quite often companies start with export after accidental sales from clients abroad. Mostly, they address the global market with one single international website.



Most companies start thinking about expanding their cross-border activities when they encounter accidental cross-border sales.

With the help of your analytics tool, you can decide whether these new markets are the best export markets to start with, or if there are countries that might be more suitable to your company. Using national culture cluster segmentation will help you to decide.

If your company decides to take on export seriously, you will have to learn to deal with international influences and aspects in your decision-making. This goes beyond just dealing with data from other countries. You'll have to start to work within a different context, bridging different national cultures and views on the meaning of your data in your analyses.

Changing World

We live in an interesting time where the world faces many challenges. The geopolitical situation looks quite different compared to a couple of years ago. The promise of the rewards of growth, coming from globalization, changed significantly. This might seem recent, but if you look deeper, you'll see these changes have been going on for some time.

Because of the Covid Pandemic, existing trade routes have been severely disrupted and it remains to be seen whether they will return to their former extent.

The war in Ukraine and the cooperation between Russia and China show us that the West is not the only power in the global world.

Moving Focus

Due to the disruptions in trade with e.g. China, many EU companies started to look closer to home for products, product manufacturers, and materials.

At the same time, this disruption has created new opportunities for businesses to export, especially for those companies for which their internal market is just too small to thrive.

The shifts in trade routes and geopolitical relations opened up new opportunities in the international markets, not only for the big corporates but especially for SMEs (Small and Medium enterprises – up to 250 people- depending on your country)

Export stimulation funding programs from local authorities and the EU and new regulations stimulate trading within the EU internal market and abroad. Within the US you will also find special programs to stimulate export in SME enterprises.

SMEs are the backbone of the economy

Europe:

98.6% of all businesses are SMEs; 40% sell cross border (*EU data*)

USA:

96 % of all businesses are SMEs; 23.6% are B2B. ([USTR.gov](https://ustr.gov))

Highlights



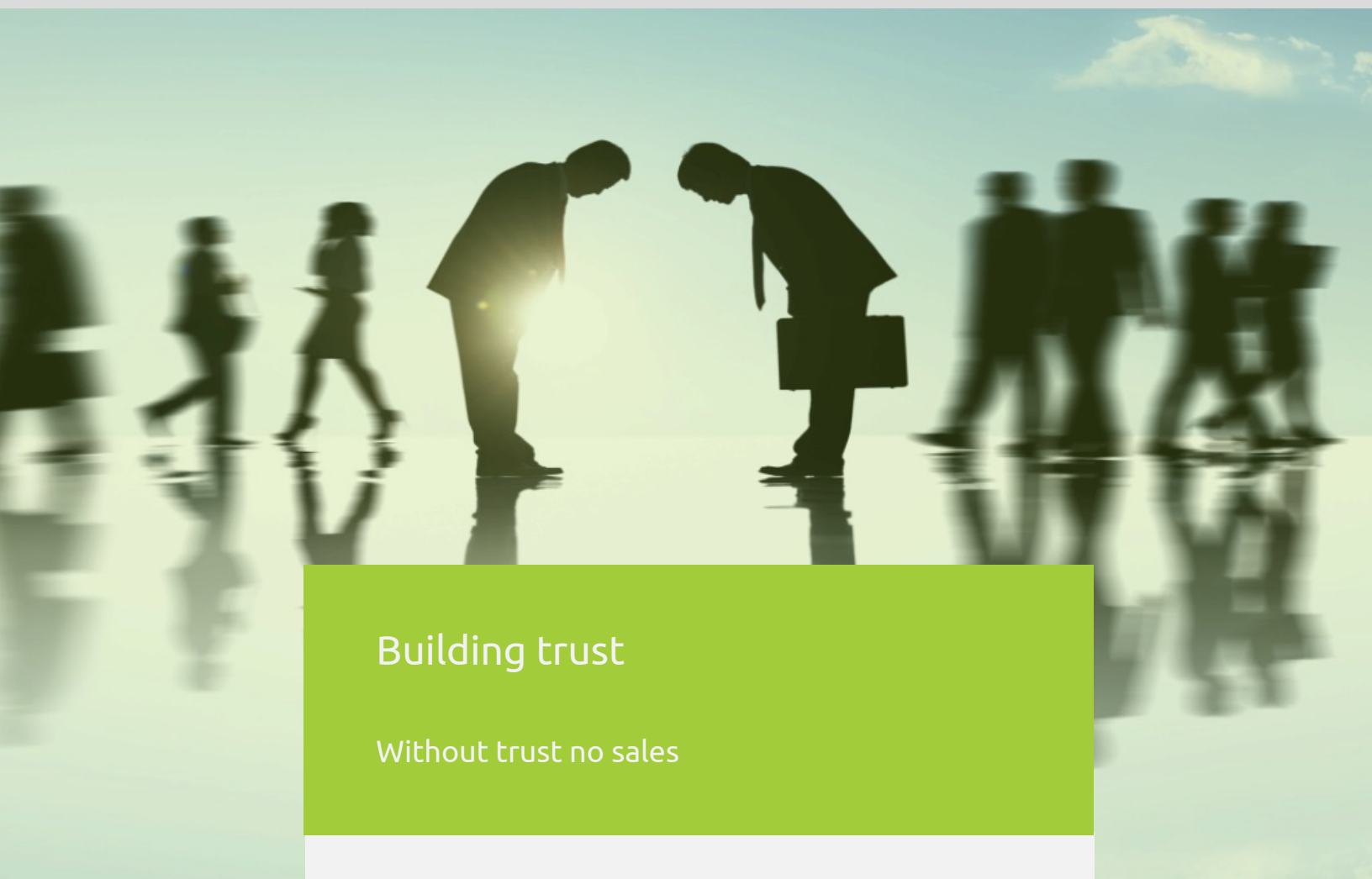
$\text{COS} + \text{COM} = \text{CAC}$
Lower cost of acquisition



Building trust in early
stages of marketing
funnel



Growth of more leads
with higher quality



Building trust

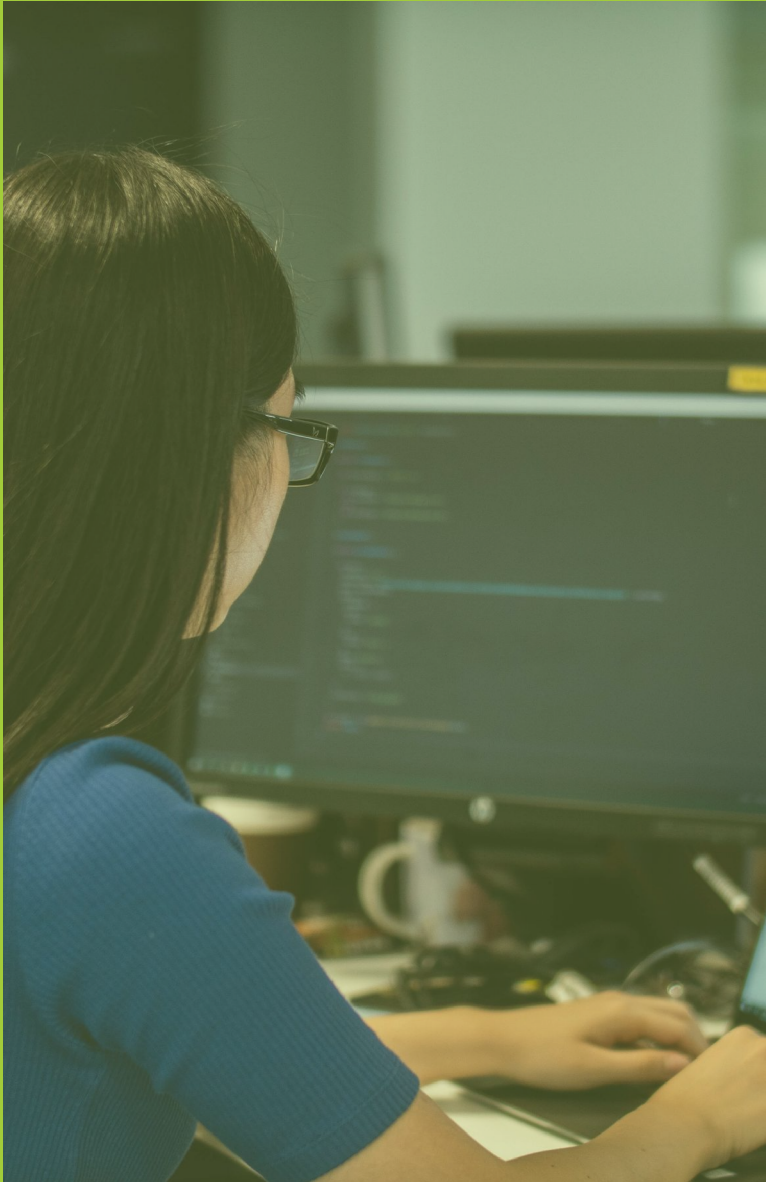
Without trust no sales

- Without trust, the quality of your leads will be lower
- Trust is based on culture and language
- Building trust in the early stages of the marketing funnel helps increasing the quality of your leads





New contexts on looking at data



Data interpretation with national cultural clusters

How do you interpret data in an international setting? With your existing analytics tool, you already come a long way in creating the right segments. But that's just the beginning of an exciting journey.

By using segments based on the national cultural dimensions, you'll gain insights into the differences in people's behavior around the world.


The languages and culture of the messages you send out on your website go beyond just a translation of words. Translating visitor behavior and placing your data in the right context and taking the right actions, can bring international growth opportunities for your company to a higher level.

You might have to learn to interpret data from another point of view. The actions you'll have to take from these insights, might not seem obvious from your cultural background. Addressing new customers in new countries in their cultural ways, helps improving your website results.



National Culture Clusters

Dimensions Matrix

	IND	MAS	PDI	LTV	UAI
Competitor	High	High	Low	Low-Medium	Low-Medium
Connected	High	Very Low	Low	Medium	Low-Medium High
Organizer	High	Medium-High	Low	High	High
Diplomat	High	Medium	Low	High	High
Reciprocator	Low	Medium	High		High
Marathonian	Low-Medium	Medium-High	High	Medium High	Low
Craftsman	Medium	High	Medium	High	High

IND= Individuality vs Collectivism

MAS = Masculinity vs femininity

PDI= Power distance index

LTV= Long term values

UAI- Uncertainty avoidance Index

Dimension by Geert Hofstede -hostede-insights.com

- Export means dealing with other cultures.
- Every deal starts with **building trust**.
- Trust is built through **language and culture**.
- National **culture** goes beyond customs and rituals. It is deeply rooted in the majority within every society.
- National culture consists of the **sense of being or belonging** within one's group.

7 Culture Clusters

Based on similar dimensions you can divide most countries into 7 national culture clusters

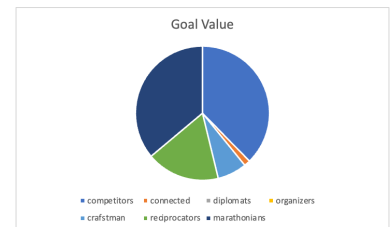
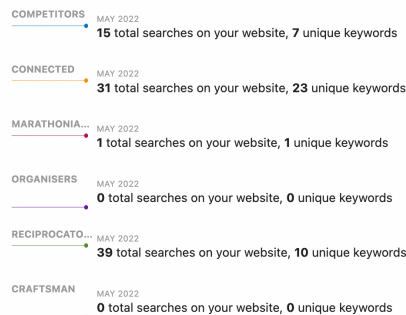
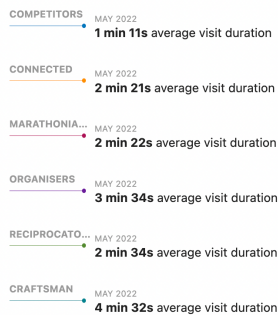
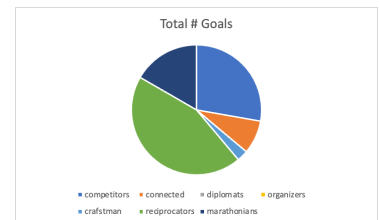
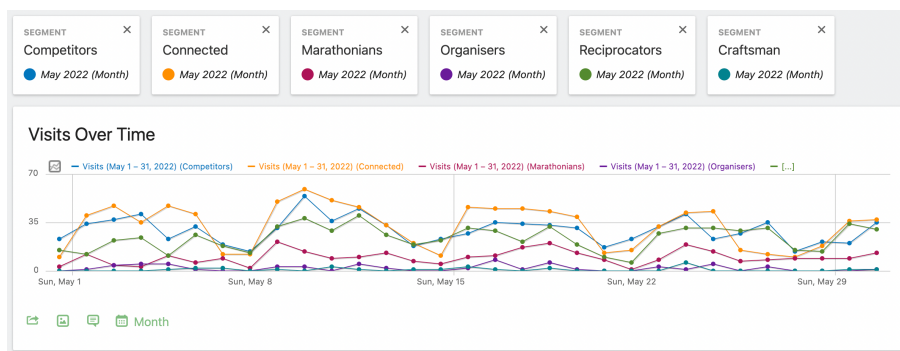
:

- Competitor
- Connected
- Craftsman
- Diplomat
- Marathonian
- Organizer
- Reciprocator



Compare clusters in your analytics

Look for behavioral differences between the clusters. Is your marketing message meeting the expectations of all your targeting clusters?



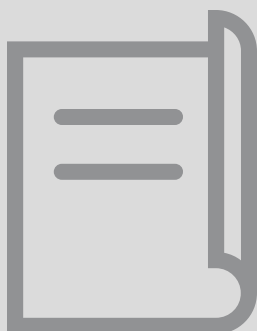
Here you see an example of the differences between the culture clusters. Diving deeper into the data and looking for patterns or the lack of expected patterns, based on cultural values, might indicate you have a problem with your communication on your website. You can see the difference in the number of goals and goal values in each cluster.

Conclusion



When using national culture cluster analysis in your international digital channels, you'll learn to adapt your marketing messages towards the different cultures, bridging gaps and building trust in the very early stages of the funnel.

Cooperation with marketing, sales and analytics teams enhances the understanding of cultural differences and helps bridge these cultural and trust gaps.



Contact



Thank you for taking
the time to read this whitepaper.

If you want to know more about
the topic of national cultural
clusters and how to use them, in
your online marketing analysis,
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