

# The Impacts of Culture on Vietnamese Consumer Behavior Towards Foreign Products

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**Abstract:** Purpose of the research is to point out the impacts of culture to Vietnamese consumer behavior towards foreign products. By using literature review combined with a practical research method, after performing a hands-on analysis, the article lists out the features of culture as well as confirms the importance of culture to Vietnamese consumer behavior towards foreign products. The research also clarifies the importance of culture to consumer behavior of people around the world towards foreign products. This article is just the basis for further in-depth researchs about Vietnamese’s culture. This article can be helpful for researchers who want to find out the way to magnify the impact of Vietnamese’s culture on people’s consumer behavior so as to encourage people use Vietnamese products and bring back more profits.

**Keywords:** Impact of Culture, Consumer Behavior, Foreign Product, Vietnamese, Psychological Factors

## 1. Introduction

In present day, the fastest way to develop economy is integration. Many countries around the world started to have a partnership. As the result, choosing different products from many parts of the world is no longer difficult. But Vietnamese people usually choose products which come from America, Japan, Korea, Thailand, etc. Why the products whose origin from America and Japan have the ability to attract Vietnamese people that much? Research shows that culture is one of the factors that have an influence on customer behavior in many countries including Viet Nam.

### 1.1. Consumer Behavior

The consumer behavior is the study of how an individual decides to purchase a particular product over the other and what are the underlying factors that mold such behavior.

The marketers try to understand the actions of the consumers in the marketplace and the underlying motives for such actions. These motives are the factors that influence the consumer behavior. These are: psychological factors, social factors, cultural factors, personal factors, economy factors, etc.

### 1.2. Factors Influencing Consumer Behavior

Psychological Factors: The human psychology plays a crucial role in designing the consumer’s preferences and likes or dislikes for a particular product and services. Some of the important psychological factors are: motivation, perception, learning, attitudes and beliefs (see Figure 1).

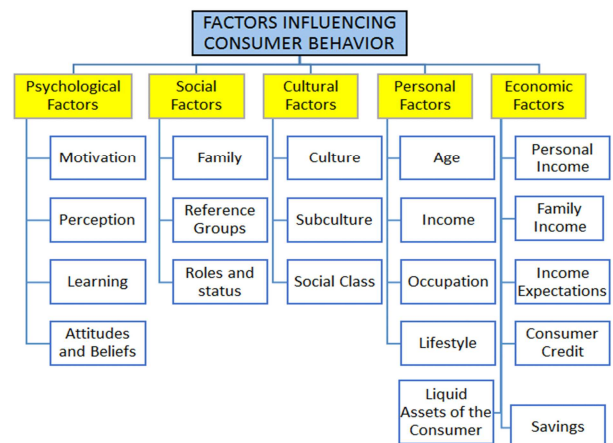


Figure 1. Factors influencing consumer behavior.

**Social Factors:** The human beings live in a complex social environment wherein they are surrounded by several people who have different buying behaviors. Since the man is a social animal who likes to be acceptable by all tries to imitate the behaviors that are socially acceptable. Hence, the social factors influence the buying behavior of an individual to a great extent. Some of the social factors are: culture, subculture, social class.

**Cultural Factors:** It is believed that an individual learns the set of values, perceptions, behaviors, preferences at a very early stage of his childhood from the people especially, the family and other key institutions which were around during his developmental stage. Thus, the behavioral patterns are developed from the culture where he or she is brought up. Several cultural factors are: culture, subculture, social class.

**Personal Factors:** There are several personal factors to the individuals that influence their buying decisions. Some of the are: age, income, occupation, lifestyle.

**Economic Factors:** The last but not the least is the group of economic factors which have a significant influence on the buying decisions of an individual. These are: personal income, family income, income expectations, consumer credit, liquid assets of the consumer, savings.

Moreover, if you want to know why culture have an influence on Vietnamese customer behavior, you should know what culture is.

## 2. Culture

Culture- a full word definition – can be explained in many ways. It's obvious that one's definition can have many side-meaning along with it. Culture is a combination between values and traditional beliefs that have been passed and inherited in a society long time ago. Culture is also a combination between ways of living and thinking that have been passed from one generation to another. Culture consists of many things of people because this definition includes many regulations, values, traditions, arts and so much more. Look at the following definitions of culture, and consider the characteristics of culture that they each draw attention to [1]:

- Tyler (British anthropologist, 1870) wrote "Culture... is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society" and "Culture consists of the derivatives of experience, more or less organized, learned or created by the individuals of a population, including those images or encodements and their interpretations (meanings) transmitted from past generations, from contemporaries, or formed by individuals themselves" (by T. Schwartz, 1992) [2].

- Culture is "the set of attitudes, values, beliefs, and behaviors shared by a group of people, but different for each individual, communicated from one generation to the next" [3].

- Culture is a fuzzy set of basic assumptions and values, orientations to life, beliefs, policies, procedures and behavioural conventions that are shared by a group of people,

and that influence (but do not determine) each member's behaviour and his/her interpretations of the 'meaning' of other people's behaviour" [4].

Which specific factors that culture has to have an influence on behavior as well as the decision making of Vietnamese consumers?

### 2.1. Features of Culture

First of all, culture consists of principles that have to be followed, means that culture defines which behaviors are suitable in the society. According to the first difficulties which Wacoal faced in Japan, Strict behaviors are something that is not always be accepted. "By the fall of 1952, Wako Shoji was in most major Japanese department stores except Hankyu, who unexpectedly asked Tsukamoto if they would hold a fashion show. Ensnared in a very traditional society, the company could not find any professional models who were willing to wear such skimpy clothing, especially on the runway, so Tsukamoto was forced to hire strippers in order to hold the company's first fashion show" [5].

This feature of culture makes the decision making process of consumers become easier by limiting unnecessary production and only producing products which is appropriate in the modern society. However, this also cause difficulty for products which are not appropriate. For example, the behavior of smoking cigarette used to be a appropriate thing but that behavior is known for it's harmful effect and now it is a big social issue for the whole society, especially in the US [6].

Secondly, culture is popular in the society. One thing that is really necessary is culture must be based on creativity and relationship in the society. It can't exist alone but have to be approved be all people in the society và shared with each other. This also fortify culture's basic characteristic. For example, Chinese parents in the past like having their daughter with small feet. Any family with big feet daughter will be treated as low class people and will be despised. And the result is that parents who belong to the noble class had tied their daughter's feet so it can't get any bigger. In their mind, they thought the difficulty when daughters walk with small and bended feet are not that important [7].

Thirdly, cultures are different. People from different cultures have different ways of thinking about the same issue. Something can be accepted in some cultures but not always be accepted in other cultures. This characteristic shows the unique and the authoritarianism of culture. Hence, the same issue can different in the view of different cultures. It is easy to notice that in some countries, broom's family usually bring proposal gift to the bride's family to guarantee a stable future for the bride's family or to thank her parent for their nurturing. On contrast, in India. Daughters are treated as burden to their family and their future husband. So, when getting married. The bride's family have to bring proposal gift to the husband's family. Despite that, some brooms are still not satisfy with the gift they had because they think it is still not worth when they have to live with their new wife. This issue becomes so critical that the government have to make the first move in stopping this tradition become popular among the citizen [8].

Moreover, culture also lasts long and it's permanent. Because culture has been shared and inherited from one generation to another long time ago, culture has its stabilization and it lasts forever. People usually see that to change a old behavior is very difficult. People are getting to aim for reservation and keep natural heritage stay the same though the World is changing rapidly. Because this characteristic of culture that marketers can release products that fit with any culture easier than try to change the culture so that products can be accepted. The clearest example for this is the Tesco fails to whet U.S. appetite. For U.K.-based grocery chain, convincing American consumers to shop at its Fresh & Easy seemed like a done deal. And a few years earlier, the brand could have found success selling its fresh supermarket meals to the growing local and organic consumer base. But Tesco's Fresh & Easy opened the doors in 2007, on the edge of a recessionary cliff when American consumers appetite for food spending was heading south. Five years later, Tesco announced it was abandoning its American dream and closing its nearly 200 stores on the west coast. The failure cost the British chain nearly US\$1.8 billion [9].

However, culture can also be flexible. Culture is passed down from one generation to another but it is not constant. It's flexible characteristic can make some products become old school and also can predict a new consumer behavior of the buyer. "Japanese now eat much more meat, bread, and dairy products, while consumption of rice has declined" [10].

Because people change their points of view and values of cultures change through time, marketers as well as smart consumers always have to keep up with the changes of consumer behavior of priority of people so that they can follow the new trend of culture. "In earliest time, Chinese people adorn wide racks in glass cases, not mannequins, to better display their swaths of heavily embroidered silk. But change came with the fall of imperial China, which ushered in the Republican period (1912-1949), as well as reforms and more education for women. Smart young women began wearing what was called "civilized attire" at the time" [11].

Or another example can be seen in British, beer market is taking some changes and Anheuser-Busch is planning to get some profits with this change. Sales of black beer is decrease due to the appearance of American European beer that lighter, cleaner and especially like Carling Black Label, Heineken, Skol, Carlsbergs, and Fosters from Australia and Europe. These beers which used to be seen as "lame" and "tasteless" now it's market value increased from 10% in 1971 to 37% in middle of 1980s. Along with the change in consumer behavior, changes in way of living are also help Anheuser-Busch. A regular British with the ability to drink beer now can drink more than a can of beer at home; therefore, the attractiveness of beer club as a place to hang out decreased. This change brings out the opportunity for Anheuser-Busch sell Budweiser beer product there. According to research about behavior, men really like Budweiser as well as Budweiser is gaining popularity among women who drink beer [12].

## 2.2. Influence of Culture

Culture has influenced on many aspects in life, but what people can see clearest is consumer behavior. All things like consumer behavior, living behavior, all sorts of need, etc start from culture. Culture defines custom which people follow to satisfy with their needs. It's obviously that consumer behavior is diversity and cultural custom also has its influence on the way people cook their meal.

Asian would rather eat roasted or boiled chicken than fried. Therefore, fried chicken Kentucky failed dramatically in Hongkong. Because all chickens of the company was raised following a diet program which only eat fish, the flavor as well as the smell of chicken is affected and Chinese in Hongkong realized that this American fried chicken was very hard to eat. After falling out of the market, Kentucky was finally back to the new Chinese frying method [13].

Culture decides which kind of goods can be consumed and which can not. Muslims won't buy any chicken meat unless it was killed using hala method.

Beside consumer behavior, cognitive process is also influenced by culture. In many cases, consumer recognizes products not only by their brands but also the countries they come from. For instance, when talking about handbags, people usually trust reliable brands like Gucci or Prada rather than unpopular brands.

## 3. Influence of Some Specific Cultures

Why products of American, Japanese, Korean can attract Vietnamese consumers as well as international consumers in general?

First of all, American culture is practical and efficient. American products have the reliability of priority of international consumers because American focuses on efficiency, minimizes the production cost for products and maximizes the profits can have. Moreover, in general thought, American product is less formal than others of other cultures, which makes American products have its free style and get accepted wider. American products are flexible and suitable for all consumers.

Though Japanese and American compete with each other in many aspects of production and in industry, their business methods are totally different. American companies tend to make fast decisions based on the information available at the time. In contrast, Japanese decision making is slower and done in stages, where there are many meetings and more documentation. The Japanese business belief is that slower decision making will minimize errors and bring consistency to all levels of the company's hierarchy. Perfectionism and quality are reasons to justify slower decisions in Japan [14].

Mentioning Japan, people immediately think of a country with little resources but very strong technology and engineering. All kind of products from technological item to household item are produced with the most modern technology in the World. Because of that, it is not hard to recognize the appearance of products made in Japan from the

smallest ones like spoons, pots, etc to the newest car.

Not only that, as one of the countries in the World with the highest live expectancy (According to the World Health Statistics 2017), Japanese has all their supplies as well as health related products produced under the most stringent quality inspection to guarantee health for user.

Beside, another example for the influence of culture is from Korea. When mention Korea people think of music idols as well as their accessories and their beauty items. Teenagers like Korea because they like the things which their idols use. Vietnamese like Korean products for Korean culture and Korean style of dressing. Many Vietnamese who are adoring fans of Korean television shows and movies has transformed South Korea's image in their region, presenting Korea as having successfully balanced tradition and modernity. An account director of JWT commented that young people are currently very influenced a lot by the South Korean culture and start to adapt it by learning Korean languages, studying in Korea, imitating Korean fashion, etc. [15].

#### 4. Conclusion

In conclusion, culture has the influence on people awareness and consumer behavior. Consumers will likely choose products from famous brands which have popularity among buyers. Knowing the influence of culture to consumer behavior, marketers can increase acceptance towards culture where the product was made as well as encourage consumers to believe quality of product. Therefore, countries can develop their economy through means of culture communication like movies, music, culture festival, etc... or through famous people images towards fans.

Need more in-depth research about Vietnamese's culture. Find out the way to magnify the impact of Vietnamese's culture to people's consumer behavior. Then, encourage people use Vietnamese products and bring back more profits.

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