

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

Global Product Strategies and Cultural Promotion in the Context of Culture-Commerce Interactions

By

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Business Education and Research**



Date : 22 Nov 2024 (Fri)
Time : 10:30 am – 12 noon
Venue : M802, PolyU

Abstract

In this paper, we explore the strategies a global company should employ when entering a foreign market where cultural differences diminish consumer utility. We demonstrate that under certain conditions such a company may purposefully maximize its product's foreignness even when the costs of reducing it are minimal, as a larger "culture distance" encourages more local consumers to adapt to the foreign culture, from which the firm will derive a substantial portion of its future revenue. Cultural promotional activities, although not directly increasing consumers' willingness to pay for the foreign product, can enhance the firm's profitability by elevating local consumers' overall appreciation of the foreign culture and hence facilitate cultural adaptation. As a result, a company's product strategy and culture strategy are interconnected and mutually reinforcing. These strategies can benefit the firm, and its foreign consumers. Furthermore, it facilitates broader cultural adaptation, suggesting that not-for-profit cultural activities may benefit organizations with profit motives, and vice versa. Our findings hold implications not only for the optimal marketing strategies in global entry but also, importantly, for their roles in facilitating cultural diversification and enrichment in the age of global consumerism.

Prof. Yuxin Chen is the Dean of Business and the Distinguished Global Professor of Business at NYU Shanghai, with an affiliation with Stern School of Business, New York University. He is also the director of NYU Shanghai Center for Business Education and Research.

Prior to NYU Shanghai, Prof. Chen was the Polk Brothers Professor of Retailing and Professor of Marketing at the Kellogg School of Management at Northwestern University and was a tenure professor at NYU Stern.

The primary research interests of Prof. Chen include data-driven marketing, Internet marketing, pricing, retailing, competitive strategies, structural empirical models, Bayesian econometric methods, behavioral economics, and marketing in emerging markets.

Prof. Chen has published more than 40 papers in top journals in marketing and related areas. He has received Frank M. Bass Award and John D.C. Little Award in 2001, and the Paul E. Green Award in 2012. He was also a finalist for INFORMS Society for Marketing Science Long Term Impact Award in 2011. Prof. Chen served as a Senior Editor of *Marketing Science* and *POMS*, and as an Associate Editor of *Journal of Marketing Research*, *Management Science* and *Quantitative Marketing and Economics*.

Prof. Chen received his B.S. in Physics from Fudan University, a MSBA and a Ph.D. in Marketing from Washington University in St. Louis. He also studied in Computer Science department in the Graduate School of Zhejiang University.

All interested are welcome.



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