

Does culture matter? Marketing Strategy in Health Services

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By comparing health care services in China, Brazil, Russia and Sweden, this study examines the impact of cultural dimensions on marketing strategy and performance. In international marketing, it is well accepted that national culture influences marketing decisions. However, it is not clear whether culture directly affects the development of marketing strategies or whether it goes through other factors. This study fills this research gap by investigating the role of cultural dimensions on strategy formulation and examines the influence of culture on trust and network marketing strategy. Based on Hofstede's cultural dimensions, a framework was developed to portray how marketing strategy is developed for organizational performance. Three cultural dimensions: power distance, collectivism and uncertainty avoidance were included. In the Chinese case, adaptation took place relating to the structure of ownership, recruitment systems and length of warranty, while standardization applied in offering globally identical services with the same pricing policy to maintain quality. Trust was helpful in facilitating communication and developing useful contacts with the government and local hospitals. Power distance was evident in the empowerment of employees. Network relationships, in the form of guanxi, were important to handle the regulations and collectivism present in Chinese society. In the Russian case, trust was necessary to deal with the high power distance and high uncertainty avoidance. Collectivism required local networking and adaptation of the Russian language, facilitated communication and performance of the local company. Maintenance of quality and offering a high level of technical support in Brazil reduced the customers' uncertainty and created trust in the service provider. Local employees showed an interest in following rules and instructions, which had been developed and updated by the Swedish company. Networks with hospitals, doctors and other professionals were necessary. In the Swedish case, trust was ensured through providing high quality services and maintaining regular communication with customers. Development of networks with university hospitals was necessary for legitimacy and to comply with low uncertainty avoidance. Network development and trust are important in the worldwide marketing of complex services. Managers need to understand that networking and trust development varies among countries due to cultural variations.