

Van R. Wood - Ph.D. - Professor of Marketing and Philip Morris Chair in International Business Virginia Commonwealth University

How Important Is Knowledge of the Culture Environment When Evaluating Potential Export Markets? Empirical Results From A Sample of Experienced U.S. Exporters

New students of global business and novice exporters are told consistently that to be successful in international marketing they must come to understand, intimately, the cultural nuances of foreign markets. Simple put, there is no substitute for cultural understanding in world commerce. How can it be, then, that information related to culture was ranked least important (relative to other types of information) by a group of experienced U.S. based exporters studied here? The answer to this question may lie in the fact that to savvy exporters, cultural information becomes important only after other relevant questions about a foreign market have been answered. This article posits that there is little reason for export managers to seek a deep understanding of any foreign market's cultural nuances if other "more important" pieces of information are not positive. In the end, when evaluating foreign markets, managers must learn when cultural information is relevant and when it is not.