

Multicultural Marketing in Australia: Synergy in Diversity[^]

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ABSTRACT

Australia's multi-cultural society presents challenges and opportunities for marketers. This paper presents a framework for analysing multicultural marketing in terms of the interrelations among three types of factors i.e. the multicultural marketplace in Australia, international markets and the multi-cultural resources that exist in Australia. We argue that Australia's cultural diversity, as well as that of other multicultural societies, is a valuable resource for recognizing and responding to the opportunities presented in international markets. A number of case studies are used to illustrate the ways in which opportunities in the domestic and international marketplace can arise and be responded to as a result of the multicultural dimensions of a society. The cases are drawn from winning entries in the annual Australian Multicultural Marketing Awards. While developed in terms of Australian society the ideas are relevant to all culturally heterogeneous societies.

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Among the key issues facing all countries is the increasing internationalization of the world economy. International competition is being faced both at home and abroad as tariffs are reduced, markets deregulated and commerce transcends national borders. An important challenge for Australia is how it carves out its destiny in the fast growing Asia-Pacific region. This presents many opportunities for business but also many challenges and difficulties in conducting business across diverse cultures and business systems. Here we will argue that Australia's rich cultural diversity is a valuable resource in recognizing and responding to the opportunities presented in international markets, particularly in Asia.

Australian society is culturally very heterogeneous because it is the product of a migrant population and its descendents. It has become home for people from many different cultural and geographic backgrounds and their descendants. Up to the 1970s, the waves of migrants came mainly from Europe, particularly the United Kingdom, although there was a wave of migrants from China in the 1850s, during the gold rush. In the last decade or so there has been an increasing number of migrants from Asia, adding to the multicultural makeup of the society.

Multiculturalism was often seen as a problem in the past. Indeed, attempts were made to reduce cultural heterogeneity by restricting immigrants to white Europeans – the so called “White Australia” policy. In general, emphasis was placed on the problems and costs involved in migrants adapting to Australian customs and practices and learning to speak English, if that was not their mother tongue. Another type of problem is that of tensions and conflicts between ethnic communities of historical origin being introduced into Australia, such as the rivalry among Serbs and Croatians from former Yugoslavia, or the attitudes of Chinese and Korean people towards Japanese as a result of wartime and occupation experiences.

More recently the focus has shifted to a greater emphasis on the benefits and opportunities that may arise in a multicultural society (e.g. Harris 1997; Office of Multicultural Affairs 1995). We propose a framework for analysing how multiculturalism can play a role in boosting the domestic and international competitiveness of firms – how synergies arise out of the cultural diversity. The framework is not only applicable to Australia, although the

examples used to illustrate and support it are drawn from there. It is relevant to any society seeking to evaluate and better utilize the strengths and contributions of its cultural resources.

Australian Society and Multicultural Marketing

People born overseas, or with one or more parents born overseas, constitute a significant group in the Australian population. In 1995, 22.7% of Australia's population were born overseas, which is more than any other Western country (OECD 1995). 40% of Australians are migrants or the children of migrants, 13.7% of Australians were born overseas in non-English speaking countries and people from 160 countries live in Australia (Federal Race Discrimination Commissioner 1997). Finally, the 1995 Australian Census shows that, of people aged 5 years and over, 2,487,073 or 15.6% percent of the population speak a language other than English at home.

The economic, political and social implications of this cultural mix cannot be ignored and has begun to be more widely recognized in recent times. For example Woolworths, one of the major supermarket chains in Australia, developed a campaign to promote its fresh food products and wished to feature their own employees in the advertisements. They did not start out to feature people from various ethnic backgrounds but this happened naturally a result of the ethnic composition of their workforce. Moreover, in appealing to all sections of the Australian population in their nationwide campaign, "Woolworths the Fresh Food People," they began to feature the way fresh produce was used as part of various ethnic cuisines served in contemporary Australia. A match between the cultural diversity of the workforce and the population served became apparent and was taken up and emphasized in various ways in subsequent versions of the campaign. Now Woolworths has audited the language and cultural knowledge and skills of their workforce, made use of this in serving customers and in their campaigns. This is one example of the way a firm has come to recognize, respond to and value the cultural diversity of its staff.

The term multicultural marketing is used here to refer to the ways firms use and respond to opportunities and challenges arising from a multicultural society in serving domestic and international customers. Such marketing is increasingly becoming part of mainstream marketing campaigns and business strategy in Australia because of the multicultural makeup of Australian society and because, as business becomes more internationalized it is called on

to meet the demands of the multicultural world in which we live. Some other examples of how multicultural themes have entered mainstream marketing campaigns are the following: The Australian Meat and Livestock Corporation, an industry sponsored promotion and research organization, won an award in 1996 for its campaign to promote lamb as the multicultural meal. It featured Greek, Indian and Thai lamb dishes as part of modern Australian cuisine. Culturally diverse families were seen at mealtime serving these dishes. A corporate advertising campaign by the National Australia Bank (a 1997 award winner) included people of various ethnic backgrounds striving to achieve success in business. Lastly, the Australian Broadcasting Commission, an award winner in 1998, runs a series of national identification promotions that include people engaged in ethnically related activities such as religious celebrations, weddings, dancing, music events and education. To begin with you are not sure the activity is taking place in Australia, but it is and each clip ends with someone declaring the Australian Broadcasting Commission is their television station by writing the station sign in the air.

In the following we provide a framework for analyzing the relationships between Australia's ethnic diversity and business performance in domestic and international markets. We illustrate our arguments by drawing primarily on cases from the Australian Multicultural Marketing Awards. These awards were established in 1991 to recognize and reward business, government and community organizations for excellence in serving the needs arising from Australia's cultural diversity, and in utilizing this diversity to succeed in international markets. The awards are administered by the Ethnic Affairs Commission of the state of New South Wales, a statutory body handling issues related to multicultural affairs which reports directly to the Premier of the State. Although they began in one state, the awards have become a national event with entries from all over Australia. A panel of judges comprising industry, government and academic representatives judges awards in five categories: Export, Commercial-Big Business, Commercial-Small Business, Government, Community and Advertising. The winner in each category receives a plaque plus prizes and the overall winner each year receives a special trophy plus a major prize. Certificates of Commendation are sometimes issued to other outstanding entries. These awards are announced at a gala dinner presided over by the Premier of the State. Each year around 50 entries are received and the numbers of entries are increasing.

Framework

Figure 1 depicts the basic conceptual framework used in our analysis in terms of the interrelations among three components: the multicultural domestic market, multicultural international markets and the multicultural resources of a society. The *multicultural domestic market* refers to the culturally heterogeneous population and the way it affects the demand for products and services in Australia. *International markets* refer to the culturally diverse societies that shape the demand for products and services internationally. The arrow from domestic to international markets indicates the way multicultural domestic markets can serve as a testing and learning ground for other markets - a kind of window on international markets. The reverse arrow indicates the way international market demand affects domestic demand through migration and through of the diffusion of the demand for products and services via cultural networks and identifications. The third component are the *multicultural resources* of Australia. This refers primarily to the skills and resources of its multicultural workforce, but also to other resources that have resulted from the multicultural heritage, such as cultural knowledge and understanding, ethnic organisations and institutions, material artifacts like churches and mosques, and international links and bonds. These resources help Australian based firms to better understand and serve the multicultural domestic and international marketplace and attracts international businesses to Australia who are to make use of this resource. These interactions are indicated by the arrows linking multicultural resources to the other two elements of the framework.. The following sections discuss each of these components and use case studies to show how they are interrelated.

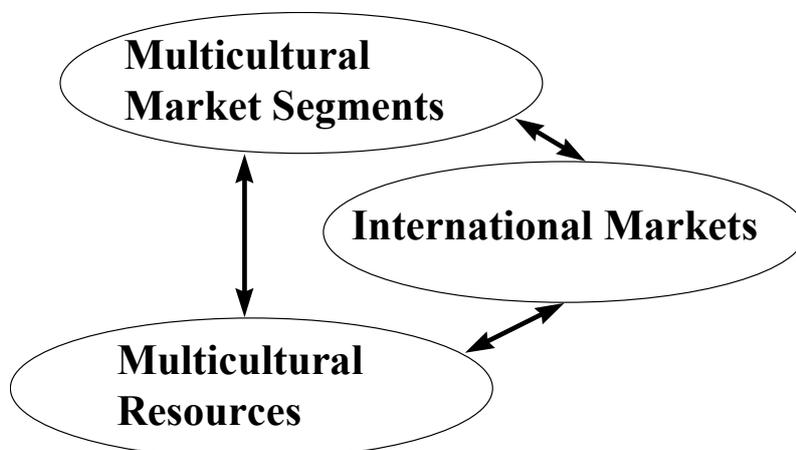


Figure 1 The Three Components of Multicultural Marketing

Multicultural Market Segments in Australia: International Marketing at Home:

Cultural diversity affects the demand for products and services in Australia, requiring both the adaptation of existing products and services as well as the development of new ones. Opportunities and problems are created for industry and government.

Two types of needs arising in a multicultural domestic market may be distinguished. First, there are the needs of people from different cultural backgrounds to understand and adapt to the economic and social systems of Australia, including what Chan (1995) has referred to as "settlement needs". Attempts to serve these needs are reflected in programs to introduce and explain to different and ethnic communities various government services, legal systems and the products and services offered in the marketplace. The second type of need results from the values, tastes and preferences of cultural groups and the variations in the role products and services play in their lives. This leads to demand for new types of products and services and the need to adapt existing products and services. These two types of needs result in the existence of a rich assortment of customer groups to be satisfied in the domestic marketplace. A single "ethnic market" does not exist but many diverse markets.

There are many examples of the different types of products and services developed in response to this multicultural marketplace. In the area of community services, perhaps the best example is the Special Broadcasting System (SBS) Radio and Television Broadcasting Channel, which was established by the Federal government in the 1970's to cater directly for the needs of the many cultural groups in Australia. The best programs were sought from around the world and teams of translators, drawn from the Australian workforce, provided subtitles for any programs not already in English. Furthermore, each morning the main news programs from a number of European and Asian countries are broadcast (without subtitles) which allows locals, as well as tourists, to keep in touch with their country of origin. Some programs, that would never have been seen on other channels, became generally popular, such as soap operas from South America. And the nightly SBS news program quickly gained the reputation for the best coverage of international news - even though they were taking much of their feed from the leftovers of other stations. SBS is supplemented by numerous community radio stations targeting particular ethnic communities and staffed by locals.

The New South Wales State Department of Fair Trading was the grand winner in the 1997 Multicultural Marketing Awards for its education campaign introducing the Consumer Credit

Code to various ethnic communities (The Australian 1997). The code, launched in 1996, protects people who borrow money or lease goods is not the most interesting or easy of topics to communicate. The code operates nationwide but in NSW a campaign was developed to educate five communities that research had shown could most benefit from the code i.e. Arabic, Chinese, Koori (Aboriginal), Vietnamese and Turkish. As the director of the campaign observed: "We couldn't just do the mainstream campaign translated into different languages, we had to evaluate needs and then target a community" (ibid.). Through research with the targeted communities, advertising materials were rewritten with cultural relevant concepts, images and designs. Community forums, local radio and the ethnic press were used, with native speakers from the different communities featured. As a result of the campaign, awareness in the community rose from 10% to 53%, especially in the Arabic and Vietnamese communities. Other campaigns designed to educate particular communities about government services include: WorkCover Authority's occupational health and safety information program directed at the Vietnamese community; an Agricultural Education and Training program targeted at the Aboriginal community; a School enrolment program targeting a variety of non-English speaking communities; and a local council library that developed a Chinese language catalogue system.

Health care services and education programs have been strongly represented among the Multicultural Marketing Award winners. There have been several anti-smoking campaigns targeting communities such as Greek, Italian and Vietnamese. In each case culturally relevant themes and messages were developed. For middle aged Greek males the theme was "Someone is Missing," which focused on important family events such as the marriage of children, or the birth of a grandchild, at which the father/grandfather was not present because they had died of smoking related causes. This family based motivation was shown to be stronger than a personal health message. For the Vietnamese community the theme of "Health is Gold" was used and resulted from the government agency working closely with the community over 5 years building links and conducting research (Ethnic Affairs Commission of NSW, 1995a)

In 1996 the grand award winner was the National Childhood Immunization Scheme designed by the Department of Community Services in conjunction with a specialist marketing agency, Cultural Perspectives. Research identified language, pre-migration experience and socio-economic access barriers as factors hindering the take-up of immunization in multicultural

societies. For example, some children were not being immunized because the schedule in Australia differed from that in the country of origin. A nationwide multimedia campaign in twelve languages was used to reach key communities and was picked up in local ethnic press, with demonstrated success. A public relations campaign working with high profile people who spoke several languages was used as well (The Australian Newspaper 1996a). Another award winner in the same year was the Kidsafe Child Restraint Program targeting migrant communities that had low compliance rates with regulations requiring use of child restraints in cars. Other health campaigns include the HIV/AIDS Education and Support Service which targeting sixteen language groups, and a Sydney based breast x-ray program aimed at 50-60 year old Chinese women.

Banking and financial services are other areas in which a number of successful multicultural marketing campaigns have been developed. The grand award winner in 1995 was the Advance bank for their Cantonese Quickphone strategy, which was tailored to the needs of the 280,000 Chinese speakers in Australia (Ethnic Affairs Commission of NSW 1995b). The service is a 24 hour, 7 day a week complete banking service. Focus groups and shadow shoppers were used to identify the needs of these customers and the deficiencies in current services. In addition, research was carried out in Hong Kong and Singapore to see how banks were advertised and to identify the types of services offered. Cantonese speakers were commissioned to write copy and key figures from the Australian-Chinese Community were used in the launch.

Another interesting example is the Korean Community Credit Union Incubator project which resulted in the first new credit union to be established in Australia in decades. The origins of this was the difficulty migrants have in obtaining loans and financial services because they lack a domestic credit rating. Installment accounts and small loan accounts were developed by the Korean founder to cater for the needs of the community. The project was closely watched by Korean communities in Chile and China for possible adoption (The Australian Newspaper 1996b). Other winning campaigns include: the AMP Society targeting savings for children's education in the Chinese community; Westpac Bank's 1996 Lunar New Year campaign targeting the Chinese and Vietnamese communities, making use of numbers that symbolized assured prosperity and the custom of giving money gifts during Chinese New Year celebrations. More generally banks and other service organisations have become more sensitive to the needs of different communities and have introduced staffing policies designed

to match branch staff more with the cultural make up of the local community. As a final example, the National Australia Bank (NAB) established the annual Ethnic Business Awards to both celebrate and recognize the efforts of non-Australian born people achieving business success. (Multicultural Marketing News 1991).

Telecommunications services have been adapted to the cultural composition of the marketplace in various ways. In 1995/6 Optus telecommunications research showed that two-thirds of people born outside of Australia make an international phone call at least once a month, which is a sizeable market. Drawing on the expertise of their work force and working with a specialist ethnic marketing agency, Mosaica, they developed a campaign targeted at the Greek community. Ethnic press and television commercials featuring Greek staff were used to reach the community and a Greek born local artist was commissioned to do the artwork. In the same year Global One focused on the ethnic community and won an award in 1996 for its campaign targeted at the Chinese community "Now Your World is One" which was designed to promote international direct dial services and build brand image (The Australian Newspaper 1996a). The decision-makers in the community were studied and use made of community organisations and ethnic media to reach target audiences. Support services were also provided, including a customer telephone center with operators speaking many languages.

Various other types of products and services have been developed or adapted for the multicultural domestic market. One is the introduction of Middle Eastern recipes for dairy products by Chtaura Dairy Products, starting as a small shop in a Sydney suburb it carved out a niche making products that cannot be bought anywhere else in Australia including kishk, a wheat based yogurt, drinking yogurts, dips and exotic cheeses. These products appeal to communities other than the Arabic. The NSW Lotteries agency, the grand award winner in 1993, has developed a series of campaigns targeting various communities, especially the Chinese community, with instant scratch ticket designs and promotions featuring the Chinese Lunar Calendar. Qantas adapted the promotional campaign for its regular flights to Shanghai and Beijing to the Chinese community, featuring lucky number prices and media campaigns adapted to that community.

In education a high school in a Sydney suburb with many non-English speaking communities teaches its Australian curriculum in science and other subjects in various languages. This is done because language problems can often prevent a student achieving their full potential in

these subjects, whereas, once they master English, the knowledge that have gained is just as relevant as if it were taught in English in the first place. Lastly, a recently published book provides an inventory of many of the products and services available to meet the needs of different ethnic communities in Australia and demonstrates how the multicultural domestic marketplace has spawned at rich variety of market responses Collins and Castillo (1998). Its subtitle is "Explore the world in One City."

Of course not all attempts at multicultural marketing are successful. Chan (1996) describes a number of examples where firms have used simplistic, inappropriate and mechanical translations of concepts from the Chinese culture in their campaigns. These include the use of particular numbers and colours in everything, however remote, for example. When the Sydney Casino opened a free shuttle bus service for gamblers it used black colored buses. The unfortunate symbolic significance of this to various ethnic groups, particularly the Chinese, soon became apparent and the colours were changed to gold. The color black symbolizes bad luck because it is the color worn during periods of mourning. The promotion of lottery tickets as gifts during Chinese New Year, as has been done by NSW Lotteries, is also questionable as you are in effect giving away your good fortune (if the ticket is a winner) or giving bad fortune (if the ticket is a loser), both of which are not really sympathetic to the spirit of Chinese New Year. Other examples include crude and inappropriate translations of English language promotions and themes that have no real meaning in the Chinese context. These are the same kinds of mistakes that have been described by Ricks (1993) in international business.

The foregoing examples show how government and private business have recognized and responded to opportunities generated by Australia's multicultural society. They also show how the multicultural workforce plays an important role in helping organisations to recognize, understand and respond. In many cases existing staff drawn from relevant cultural groups have been instrumental in shaping marketing strategy and use has been made of specialist marketing agencies skilled in researching and developing marketing strategies for various cultural communities. Lastly, the examples show how international market demand influences domestic demand through the introduction of new types of products and services from other cultures and through research carried out in international markets being used to inform marketing planning in Australia.

In all cases we see the ways in which an understanding of the habits, customs and values of a culture leads to the adaptation of marketing strategies in much the same way as occurs in international markets. This includes all elements of marketing: the design and features of the core product or service; packaging design and colours; promotion and advertising media and themes; prices and payment methods; distribution channels; and organizational design. Communication strategies assume particular significance in reaching cultural and language groups. Indeed, the provision of information is itself often the product, as when existing government, community, banking and financial services have to be communicated, or when community health education campaigns are devised for particular cultural groups. But marketing is not just about telling people what you can do for them but about doing for them what they want done. This involves understanding the needs of the market and developing and adapting products and services to meet them as the cases demonstrate.

International Markets and Multiculturalism

Multiculturalism in Australia can contribute to the achievement of competitiveness in international markets. Serving multicultural needs at home can play a valuable role in understanding, entering and developing international markets, and the multicultural work force is a source of direct insight into international markets, as well as a source of social and business links to those markets.

Australia's population is about 18 million, which is a small and isolated market, and this limits the ability of firms to achieve scale efficiencies in production and research operations domestically as a basis for international competitiveness. But while the scale of the domestic market as a whole may be limited, particular market segments can be significant such as sectors of the mining and agricultural industry. Serving these markets domestically can be a source of international competitiveness and there are many successful international Australian firms operating in these industries. In a similar way the rich cultural diversity and the associated needs forms a special type of market in Australia of significant size. Moreover, there are links between satisfying these needs and developing products and services with international potential, because they provide a window through which firms can learn about the needs and customs of customers in other countries and how best to serve them.

A second reason why the small size of domestic market may not be such an impediment to achieving international competitiveness is that international competition involves more than price competition. It involves creating and delivering value to customers, and being able to continually upgrade the quality of the products and services offered. This often means working closely with intermediate and final customers. Through the research, feedback and interaction that occurs competitive products and services are created and improved. In this sense the *quality of demand* is more important than the quantity (Porter 1990).

It is difficult to work closely with customers in foreign markets because of the physical and cultural distances that exist. However, the demands arising from Australia's multicultural society allow firms to better understand and work closely with customers in Australia who resemble in many ways customers in international markets.

Two types of opportunities may be distinguished here. First there are the opportunities in international markets for firms that develop, produce and supply products and services to meet the needs of similar cultural communities domestically. For example, public education campaigns, television and radio programs, English language programs, health care systems and other products and services designed for various cultural groups are likely to have potential in the countries of origin of these groups.

Of course there is an important caveat, as care must be taken to ensure that the international market does not differ in important ways from the domestic counterpart. Local cultural and environmental contexts affect the character of the market and migrants are not chosen in order to be a representative group of their country. For example, taste tests on migrants coming from particular countries may not always give the same results as those conducted in the home country due to differences in dietary habits and cooking and eating situations. Furthermore second and third generation migrant families become assimilated into the local culture, while at the same time helping to shape it. Hence they take on different characteristics from people in their country of origin.

The second type of opportunity relates to the people and firms that supply specialist inputs to those that directly serve multicultural domestic markets, including suppliers of specialist materials and components and services. An interesting example is the case of the subtitling services of SBS, the multicultural television channel, which has been mentioned already. In order to provide subtitles for all the programs it screens from around the world, it made use of

the multicultural domestic workforce to develop a high quality subtitling unit that has gained an international reputation. This led to opportunities to add value to non-English language films and programs for sale in other English speaking countries. Another example is the specialist firms that have emerged in Australia to undertake various research and marketing planning activities for clients serving domestic multicultural markets. These include language and translation services, education and training services and specialist marketing agencies such as Cultural Perspectives, Mosaica, Emigre and 1A Communications. The skills and experience developed in Australia are opening up opportunities in other countries to produce similar campaigns and are attracting international firms to establish regional headquarters in Australia to serve their markets in Asia and elsewhere.

American Express, Cathay Pacific and DEC established operations in Sydney in part because of the ready access to native speakers of all the languages in the region and the availability of other culturally relevant services and expertise. Another example is Prestige International, a Japanese company that set up a call center in Sydney to cater for tourist companies and others needing to handle calls in Japanese. Research indicated the demand for a multilingual call center service for inbound customer service calls and for outbound telemarketing campaigns. They were able to broaden their operation to include other languages by drawing on the language abilities of the local population. Lastly, Cultural Perspectives, a specialist marketing agency focusing on multicultural marketing, was asked to develop a multicultural communication campaign for the New Zealand Inland Revenue free phone service because of the expertise and experience gained in the Australian market.

International Relations and Networks

Australia's multicultural society is not only a means of learning about opportunities in foreign markets and honing offers and strategies, it also provides ways of contacting and accessing international markets. Having the right product or service is only part of the problem of succeeding in international markets. There is also the need to develop and manage relations with overseas counterparts in business and government organizations. Research suggests that issues and problems related to this aspect of international marketing are often cited as factors inhibiting or preventing the development of international markets (Cavusgil and Zhou 1994; Ford and Rosson 1982; Barrett and Wilkinson 1985). These include: relations with agents and distributors who are involved in promoting, distributing, and

servicing products in the foreign market; relations with government organizations that are involved in approving and regulating commercial activity; and relations with final customers.

Australia's multicultural society creates opportunities for forging stronger international links within Australia and with counterparts overseas. The language and inter-cultural communication skills, the experience and cultural understanding that exists, as well as the international networks of professional and personal contacts that have been built up cannot be easily duplicated. These help build bridges between Australia and other markets and facilitate intercultural communication, understanding and trade. Examples of this include: a clothing manufacturer considering approaching the Indonesian market used Indonesian staff in Australia to help identify the type of clothes to focus on; Qantas Flight Catering using local chefs drawn from different ethnic backgrounds to prepare food to meet the needs of different international carriers; Qantas employ Japanese native speakers from Australia on Japanese routes and native Chinese speakers on Taiwan and China routes; a Vietnamese migrant with legal training and experience in Vietnam and Australia using his knowledge and contacts to facilitate a major contract with the Vietnamese government.¹

Universities have been able to build on the strengths and opportunities that arise as a result of the multicultural composition of their staff and students. For example UWS Nepean has been able to establish a strong reputation in the area of international marketing and business in both teaching and research because of this. The links that have been forged with researchers and Universities in other countries support the existing programs and open up new possibilities for research and teaching collaboration. They also contribute to the internationalization of the University as a whole.

International Marketing Cases

The Export Category of the Multicultural Marketing Awards provides several cases illustrating the way domestic multicultural resources, networks and markets have led to international market success. For instance the Lucky Monkey, Lucky Dog, Lucky Ox etc "instant scratchy" lottery tickets developed by the aforementioned NSW Lotteries to target Chinese and Vietnamese communities in Australia, has been taken up in Hong Kong and other Asian markets.

Techmeat Australia, an award winner in 1994, was started by a Korean immigrant who realized that Australian butchers and abattoirs were discarding cuts of meat considered as

delicacies in his home country. He now exports \$2 million dollars worth of meat to Korea a year. Established Australian operators could not or would not understand what was needed and refused to enter the market. However, Mr. Kim was able to take advantage of his Korean meat industry contacts and education to begin exporting. Additional products were later added to the range including using kangaroo meat offal.

An excellent example of the way different cultures can come into contact and build relations in Australia which eventually translates into export success is Gateway Pharmaceuticals (Ethnic Affairs Commission of NSW 1995). Gateway is a trading company that contracts the manufacture of various pharmaceutical products to other firms in Australia. 100% of their business is export. The story of how the company came to be and its subsequent growth illustrates how the skills and experience gained overseas and in Australia, together with Lebanese and Vietnamese networks and good fortune, produced a successful business in Vietnam.

The founders migrated from Lebanon in the 1960s and, early on, arranged for some exports of pharmaceuticals to a relative in Lebanon who was a pharmacist. Later, through the local Lebanese community, they were later introduced to a Lebanese Pharmacist who operated a large pharmacy located in suburb of Sydney with a high concentration of Vietnamese migrants. He had observed that many Vietnamese were buying over the counter medications, such as vitamin pills, in large quantities. They told him that they were shipping them back to Vietnam for use by friends and relatives and for sale on local markets. With some finance and expertise related to international trade provided by Gateway they explored the market potential in Vietnam through Vietnamese community networks, by participating in trade missions and through personal visits to the market.

To begin with they relied heavily on their contacts within the local Vietnamese community including: how products should be manufactured and packaged and the colors to use. A young Vietnamese lady was employed who did the accounts, export invoicing, and many other things. "A lot of the times we would run things off her and her family. What do you think of this product? Is the packaging okay? We always delved into that pool of resources locally, to launch new products, or to freshen up something old - that resource locally was crucial for us."² She also helped them to understand Vietnamese customs and practices and how to deal with some of the problems that arose.

From humble beginnings the business has grown into a successful export company with a range of products and an established distribution system in Vietnam. In 1998 they had four offices in Vietnam, two in Ho Chi Minh city and two in Hanoi, that together employ 60 –65 people. They recently entered a joint venture with the Vietnamese Ministry of Health, that will enable them to manufacture their own products as well as contract manufacture and package the products of multi nationals.

The Lebanese background of the directors was perceived to provide certain advantages in developing relations and negotiating with the Vietnamese. "A lot of times we have to put on our Lebanese cap when we can't do things and purely analyze points of view. You have to go around the situation, you can't confront it head on. I think they have got the charm aspect involved in negotiations. It is not putting the hard word in to an order initially, or things like this. You have got to make them truly feel comfortable in your presence and I think a lot of the Anglo Saxon businessmen ... come in very hard." ³

Hip Hang Trading is a partnership of a seventh generation Australian and two Chinese born partners, which resulted in the successful exports of building products to China. They were able to capitalize on their complementary skills, understanding and contacts to identify and adapt products and marketing strategies to serve particular markets in China.

The winner of the 1997 Export category was the Macquarie investment bank which developed the China Housing Investment Fund to invest in low to medium cost housing projects in China. The concept was conceived and developed by a multicultural management team based in Sydney who speak English, Mandarin and Cantonese and additional staff were recruited with strong links to the target region in China. Links were established with the Australian-Chinese investment community to source investment funds through a targeted promotion and networking campaign including a series dinners and presentations in the community. This campaign had limited success in attracting investment funds from the Chinese community in Australia, in part because the links of the local Chinese community were predominantly with other regions of China than the target region. But the bank's experience in dealing with these communities in Australia, and the contacts made, helped them in later moves into Asia to find investors. Out of a total fund of AUD\$35 million 40% has come from outside Australia, 20% from Asia and 20% from the USA. The Asian crisis at this time limited investment from Asia which would have been much higher. The first joint venture to build houses in China was signed with the State owned Tianjin Housing Fund

Management Center and funds have been invested in six housing projects in the city with a total floor space of half a million square meters.

JNA Telecommunications, designs and develops infrastructure for telecommunications carriers and supplies networks in China, Thailand, Vietnam, Egypt and Syria. In its award winning entry in 1996 it stressed how it had made use of the skills of its ethnically diverse workforce to identify business opportunities and market new products. For example, a manager originally from China was moved from another section of the company to make use of her knowledge and language skills. They have subsequently won significant business in China, and exports have increased from a small proportion to AUD\$11 million in 1995. They bring engineers from client companies to Sydney for training and the ability of a number of staff to offer both technical understanding and language skills makes this training possible.

Cultural diversity has also proved significant in attracting and catering for international tourists in Australia (Office of Multicultural Affairs 1995). As already noted the SBS Television Channel broadcasts each day news programs from many countries. In addition native speakers, restaurants, shops and organisations catering to the needs of different ethnic groups are easy to find e.g. Collins and Castillo (1998).

Multicultural Resources

As firms in Australia have begun to recognize the potential contributions ethnic diversity can make to their business they have had to deal with the issues and challenges of identifying, nurturing and rewarding these contributions in appropriate ways. This requires the development of culturally sensitive managers with cross-cultural communication skills and associated management systems (Shaw 1995; Elashmawi and Harris 1998). In the past the focus was often on the problems associated with managing a culturally diverse workforce rather than the benefits - and there are problems due to variations in customs, practices and languages and the associated communication difficulties. The challenge is to recognize and effectively build on the strengths and opportunities that also arise. Coping with these problems can have indirect benefits, since it leads to improved cultural sensitivity and inter-cultural communication, all of which are essential ingredients for successful international business operations. Firms that can cope well with cultural diversity at home should be able to cope with it abroad.

However, there are dangers in valuing people too narrowly - in terms only of their cultural background and potential economic contribution. This ignores other aspects of a person's personality and contribution. Another problem is that it is easy to assume that people from particular cultural backgrounds have intrinsic advantages in dealing with their country of origin, when in fact they may face special problems as well. Migrant communities in Australia may stem from particular subgroups or regions in their country of origin, who may be disaffected and persecuted minorities with limited and negative contacts with and limited knowledge of other groups in the country. This may inhibit their ability to conduct trade with their mother country. For example, Vietnamese refugees include a number of well educated and successful business people and professional but they came primarily from the south and have closer links with groups associated with the previous US backed regime. This may limit their freedom of movement and affect the way they are regarded by the current leaders. In addition, people from particular cultural backgrounds may face problems in dealing with other cultures because of the history of relations between them. The relations between the Japanese and various Asian nations, as a result of wartime experiences, is one example of this, as are the hostile relations among various communities of the old Yugoslavia.

Conclusions

The preceding discussion has focused on the business and market opportunities that arise from Australia's multicultural composition. Particular emphasis has been placed on the value that comes from interrelating different cultures both in Australia and overseas, rather than the value of the diversity itself. In the past firms in Australia tended to focus more on the problems arising from such cultural heterogeneity. Now they are beginning to value the benefits, particularly in a world that is becoming increasingly internationalized. There are many other nations with distinctive subgroups and cultures comprising them and long histories of migration which have called for marketing strategies adapted to their needs e.g. Rossman (1994). Thus the framework developed and the examples given should be seen as examples of a far more general and phenomena of both practical and academic interest - more than the next "buzzword" in marketing education (Nicastro 1993).

There is a need for more research to be done to examine the relationship between multiculturalism and firms' performance. This article has served to focus attention on the area

and provide a framework for thinking about it. While the award winning cases described serve to demonstrate the nature and role played by multiculturalism in boosting a firm's competitiveness at home and abroad, further research is needed to more systematically measure the nature and impacts of cultural diversity on firm's behaviour and performance. Also, additional case studies are needed to examine the processes by which multicultural resources are recognised, evaluated and activated within a firm and the effects these have on the firm and its performance.

Since the time the Multicultural Marketing Awards were established in 1991 several developments have taken place in the quality and characteristics of the entries, which we think reflects a growing sophistication and expertise in this area. These developments include:

- A shift away from simple adaptations of predominantly advertising messages as the mainstay of multicultural marketing strategies. This includes a shift from simple linguistic translations of media messages to true cultural adaptations and to the development, de novo, of culturally targeted campaigns and strategies.
- A shift from simple, even simplistic, representations and even stereotypes of some ethnic communities in marketing campaigns to a more sophisticated understanding of the rich cultural diversity that exists among and within ethnic groups.
- A shift from mono-culturally focused marketing strategies to multi-cultural focused strategies which engage a larger slice of society. These include campaigns that have a sophisticated mix and integration of features designed for different but related ethnic groups and cultural dimensions; and campaigns, such as Woolworth's and the Australian Broadcasting Commission's station promotion, that celebrate and value aspects of multiculturalism as an essential and natural part of an overall campaign.
- A move away from multicultural marketing as a marginal add-on to a campaign or strategy, to one in which it is either automatically considered or is built directly into the fabric of the overall campaign.
- An increasing appreciation of the benefits that come from harnessing our multicultural resources for both domestic and international business development. In fact, the distinction between domestic and international markets is becoming increasingly

irrelevant as we come to live our lives in an evermore internationalized and interconnected economy and society.

- A shift from recognizing and adapting to diversity to one of valuing, appreciating, celebrating and offering the fruits of this diversity. By this we mean offering to the community at large products, services and resources that stem from cultural diversity. This includes multicultural products and services (e.g. Chinese massage and acupuncture services), cuisines, music, entertainment, and life styles that characterize contemporary Australia.

Living and working in a multicultural society like Australia has a fundamental role to play in the nation's future well-being. Despite the associated problems, the everyday interaction of different cultures with different ideas, values, perceptions, customs and practices, produces a kind of "synergy in diversity." It helps to broaden our horizons. It acts as an antidote to the dangers of ethnocentrism and helps Australia to become a more international and tolerant in its understanding, appreciation of and ability to deal with the world's rich cultural diversity.

Endnotes

1. These examples are drawn from the Australian Trade Commissions Ethnic Communities Program, which aims to develop exports through ethnic communities.
2. Personal Interview, Director of Gateway Pharmaceuticals
3. Personal Interview, Director of Gateway Pharmaceuticals

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