

8.12: Key Terms

acculturation | the process by which a person's family cultural patterns change because of direct and constant contact with a different culture

adaptation | the process of adjusting a company's work efforts, goods, or services in response to specific needs, tastes, or expectations—whether real or perceived—from different groups of consumers

adapted global marketing strategy | a strategy in which a company utilizes different marketing strategies in different global markets

Asian population | the third largest multicultural group in the United States; made up of 22 different subethnicities from the Asian continent, Hawaii, and islands of the Pacific; can belong to a single race or mixed races

Black population | second largest multicultural group in the United States; made up of three different subethnicities: single race, Black Hispanic, or Black mixed with another race (White or Native American)

business landscape | everything internal and external to the business, its industry, and its environment

company centric | a company's approach to focusing decisions and execution from the perspective of the organization rather than the customers

consumer income | the amount of money a household or individual earns

consumers with disabilities | sociodemographic group living with some type of disability related to mobility, learning, intellectual, or other types of functions; a very diverse group because disabilities span cultural, social, and demographic factors

cultural duality | characteristic of a multicultural individual for whom cultures overlap with each other and the person feels a sense of belonging to both at the same time

cultural identity | how a person identifies with a given culture, ethnicity, or social group, which instills a sense of belonging that influences personal thinking and actions

cultural sensitivity | awareness and appreciation of and the ability to adapt to a cultural, ethnic, racial, or another group other than one's own

cultural symbols | physical representations of a culture's language, values, and traditions

cultural values | unspoken aesthetics, socialization, and religious aspects woven throughout a culture

culture | objective and subjective elements like social norms, beliefs, behaviors, accomplishments, customs, arts, language, foods, and skills that characterize a particular group of individuals' way of life

customer-centric | a company's focus on putting targeted customers first regarding any decisions about its goods, services, or experiences to create satisfaction and strengthen loyalty

customs | mannerisms or behaviors that are considered characteristics within a social system

discretionary income | the money individuals and households are left with after paying taxes and other living expenses, such as food and shelter

disposable income | the money individuals and households are left with after paying taxes

diversity marketing | a strategic approach that involves identifying different subsegments of the population—*based on shared cultural and sociodemographic characteristics*—and creating intentional marketing efforts to connect with these consumer groups

diversity marketing intelligence (DMiQ) | the capability of identifying, accepting, and valuing the diverseness of consumers within a market and using this knowledge to tailor the marketing mix accordingly

dumping | the practice in which a company manufactures a very large number of goods and exports them to a foreign market to sell cheaply

economic infrastructure | the physical facilities of an economy that benefit product and distribution

embargoes | trading bans on a product with a specific country; imposed between countries that have different political ideologies

ethnocentrism | an assumption that the business landscape or culture of an international market is the same as the home country or personal culture

exchange rate | the rate at which one country's currency can be exchanged for that of another country

exporting | when a firm makes a product or service in one country and sells it in others

foreign direct investment (FDI) | the process of establishing operations within a foreign country

franchising | a business strategy in which the owner (the franchisor) allows another person or entity (the franchisee) to operate a business using the franchisor's products, branding, and knowledge in exchange for a fee

generational population | sociodemographic category based on birth year clusters that includes Lost Generation (1883–1900), Greatest Generation (1901–1927), Traditionalist/Silent Generation (1928–1945), baby boomers (1946–1964), Generation X (1965–1980), millennials/Generation Y (1981–1996), Zoomers/Generation Z (1997–2009), and Generation Alpha (2010–2024)

global market opportunities | conditions that are favorable for a company to expand into the global marketplace

Hispanic population | the largest multicultural group in the United States, made up of diverse subethnicities and races originating from 20 different Spanish-speaking countries in North America, Central America, the Caribbean, South America, and Europe

international firm | a company that operates on a global level regardless of the intensity of involvement

joint venture | a business arrangement whereby two or more companies create a single enterprise or project

LGBTQIA+ population | community composed of individuals who express a diversity of genders, preferences, and sexual orientations that include lesbian, gay, bisexual, transsexual, queer/questioning, intersex, asexual, and other sexual identities

licensing | a contract in which one organization permits another to use its name brand or trademark on its own items

lifestyle | the way a person or group lives

marginalized consumers | populations of consumers that have been pushed to the margins of society and are often excluded from mainstream advertising

marketing mix | the four key elements—product, price, place, and promotion—that shape the development and execution of marketing objectives to reach a target market

multicultural identity | having an affinity with multiple racial or ethnic groups that a person has been exposed to and self-categorizing as being part of more than one of them

multicultural marketing | a subcategory of diversity marketing aimed at intentionally targeting audiences based on different racial, ethnic, and cultural identities and backgrounds

Native American | multicultural group of individuals of a single race and mixed races who are native to the United States and its territories, including American Indians, Alaska Natives, Native Hawaiians, and American Samoans

outsourcing | the process of moving some of a business's operations to a foreign country to save money and time or to increase volume and quality

product adaptation | when companies modify products to align with the local culture

product invention | when companies create entirely new products for a global market

purchasing power | the goods that can be purchased with one unit of currency

quotas | maximum allowable units (usually in currency) to be imported into or exported out of a specific country

risk | any situation or condition that leads a company to decreased profits or even failure

sociocultural factors | values, behaviors, culture, lifestyle, and language that shape a person's or group's way of living

sociodemographic marketing | a subcategory of diversity marketing aimed at intentionally targeting audiences based on shared social and demographic characteristics such as gender and sexual orientation, age or generation, family structure, religion, education, income level, and disability

sociodemographics | the combination of social and demographic factors that characterize specific consumer groups in the market

socioeconomically disadvantaged population | disadvantaged community that lacks social resources and infrastructure to reduce poverty; members tend to be in low-income households, experience financial insecurity, and have less access to education

standardization | the process of purposefully applying identical or consistent guidelines to goods or services to achieve uniformity

standardized global marketing strategy | a strategy in which a company uses the same marketing strategy in all markets

stereotypes | oversimplified images, perceptions, or ideas of a person or group

straight product extension | a strategy that entails maintaining the same product for both the home and foreign markets

strategic alliance | when two companies from different countries agree to invest resources in a mutually beneficial way

tariffs | taxes that governments impose on imports into the country

tokenism | the practice of including an individual from either a minority group or an underrepresented community in marketing efforts simply as a symbol

trade blocs | intergovernmental agreements that remove barriers to trade within regions of the world

transnational firm | a company that allows for a higher degree of localization

whole channel | the design of the international channels that incorporates all members, including the manufacturing, retailer, and wholesaler sites, as well as transportation

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