# TITLE THE ROLE OF CULTURE IN U.S. REGARDING CONSUMER BEHAVIOR

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**Abstract:** In our research, we are trying to reveal the importance of culture in the United States, regarding consumer behavior, viewed in terms of visible contradictions, as well as its role in spreading ideas and goods coming from another country. We have also completed an analysis on one of the most important key players in the worldwide marketplace of our time: Wal-Mart, America's largest and most controversial company. This is a study about how culture in the U.S as a conglomerate of different cultures influences the consumer behavior in a society of changes, in a society of economic globalization.

JEL classification: M14, M31, M59

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## 1. Introduction

As a nation of immigrants from the 19<sup>th</sup> to the 21<sup>st</sup> century, the United States of America has been a recipient as much as an exporter of global culture. Indeed, the influence of immigrants on the United States explains why its culture has been so popular for so long in so many places. American culture has spread throughout the world because it has incorporated foreign styles and ideas. What Americans have done more brilliantly than their competitors overseas is repackage the cultural products they receive from abroad and then retransmit them to the rest of the planet. That is why a global mass culture has come to be identified, however simplistically, with the United States.

Americans, after all, did not invent fast food, amusement parks, or the movies. Before the Big Mac, there were fish and chips. Before Disneyland, there was Copenhagen's Tivoli Gardens (which Walt Disney used as a prototype for his first theme park in Anaheim, California, a model later re-exported to Tokyo and Paris). And in the first two decades of the 20<sup>th</sup> century, the two largest exporters of movies around the world were France and Italy.

In some ways, American food developments are contradictory. Americans are more aware of food quality despite, and maybe because of, their increasing dependence on convenience. They eat a more varied diet, drawing on the cuisines of immigrant groups (Thai, Vietnamese, Greek, Indian, Cuban, Mexican, and Ethiopian), but they also regularly eat fast foods found in every shopping mall and along every highway. The idea of fast-food is certainly associated with hamburgers in U.S. The hamburger as an icon of American culture spread globally during the 1980's and 1990's with franchise restaurants opening around the world. American-style burgers can be purchased today from Moscow to Quito and from Tokyo to Cairo. Americans are more suspicious of technology, although they heavily rely on it for their daily meals.

In many ways, these contradictions reflect the many influences on American life in the late  $20^{th}$  century-immigration, double-income households, genetic technologies, domestic and foreign travel-and food has become an even deeper expression of the complex culture of which it is part.

### 2. OBJECTIVES

The present has the following objectives: explaining the cultural diffusion and contradictions that reflect American life, establishing the main culture hearts around the globe as well as the role of cultural diffusion with the largest impact on the spread of ideas from places like United States to the rest of the world.

Due to the fact that in a globally competitive economy, we can not always find a correct environment, the paper analyses how businesses belonging to one of the world's famous retailers can influence the American life.

In the same time, the present established the two important concepts about culture: fundamental values and subcultures and explained the importance of consumer's behavior, viewed as part of the New Economic Paradigm.

## 3. METHODOLOGY

In order to obtain a coherent study and ensuring an adequate scientific support for the present paper, we have used analyses from published materials, books, newspapers and academic working papers as seen on references.

### 4. ANALYSES

Cultural diffusion concerns the spread of culture and the factors that account for it, such as migration, communications, trade, and commerce. Because culture moves over space, the geography of culture is constantly changing. Generally, culture traits originate in a particular area and spread outward, ultimately to characterize a larger expanse of territory. Culture region describes the location of culture traits or cultural communities; cultural diffusion helps explain how they got there.

For example, New York State generally lies within the English-speaking culture region. Nevertheless there are significant cultural communities within New York State in which Spanish, Chinese, Hebrew, Arabic, or another language is dominant. Similarly, while most of New York State is part of the Christian culture region, there also are local cultural communities in which Judaism, Islam, or Buddhism

is dominant. What all these languages and religions have in common is that none originated in New York State or even in North America. Rather each has come to characterize segments of the Empire State as a result of cultural diffusion.

When a cultural item diffuses, it typically does not keep spreading and spreading forever. Instead it tends to diffuse outward from its place of origin, encounter one or more barrier effects-things that inhibit cultural diffusion-and stop spreading. Barrier effects can assume physical or social forms. Physical barrier effects consist of characteristics of the natural (physical) environment that inhibit the spread of culture. The classic examples are oceans, deserts, mountain ranges, dense forests, and frigid climates. For example, the Atlantic Ocean was a physical barrier that prevented the westward spread of European Culture for many centuries.

Social barrier effects consist of characteristics that differentiate human groups and potentially limit interaction between them, thus inhibiting the spread of culture. Examples include language, religion, race and ethnicity, and a history of conflict between specific cultural communities. Islam, for instance, nowadays acts as a social barrier in many Middle Eastern countries by discouraging adoption of certain styles of western dress and music.

For much of human history, therefore, barrier effects tended to isolate cultural communities from each other, inhibiting their ability to share cultural characteristics. Today, however, traditional barrier effects are being overwhelmed by modern means of communication. Isolation is on the decline. Cultural characteristics are diffusing as never before. Adoption of a new culture item is often accompanied by disuse of an old one. Hence, global decline in cultural diversity is a significant modern trend. Virtually hundreds of languages spoken by formerly isolated peoples will disappear during the next 50 years because, due to diffusion of "modern global languages" (such as English, Spanish, and French), they are not being passed on to the next generation. This does not portend a single global culture, but rather a trend toward cultural communities that come in fewer flavors.

It is generally acknowledged that culture is an important determinant of economic success. As Landes has shown (1998), it is true that "If we learn anything from the history of economic development, it is that culture makes all the difference." Indeed, a significant body of academic research has already established that national cultures greatly influence productivity, innovation, and inventiveness (Shane, 1992, 1993; Shane, Venkataraman & MacMillan, 1995).

Culture is generally referred to as a certain group's particular way of life. This includes the social meanings of various aspects of life such as race, ethnicity, values, languages, religions, and clothing styles.

Trade is based on voluntary exchange. Individuals do things that make themselves better off. That obvious point often lost in the globalization debate. McDonald's does not build a restaurant in Bangkok and then force people at gunpoint to eat there. People eat there because they want to. And if they don't want to, they don't have to. And if no one eats there, the restaurant will lose money and close.

There is now a McDonald's in Moscow and a Starbucks in the Forbidden City in Beijing. Stalin never would have allowed the former; Mao would not have allowed the latter. Which is a point worth pondering.

The cultural homogenization argument may not be true anyway. Culture is transmitted in all directions. People from U.S can now rent Iranian movies at Blockbuster. National Public Radio recently ran a segment on craftsmen and artists of

the world who are selling their work via the Internet. One can log on to Novica.com and find a virtual global marketplace for arts and crafts. John Micklethwait and Adrian Wooldridge, authors of the globalization tract *A Future Perfect*, point out that in the realm of business, a previously obscure Finnish company like Nokia has been able to thump American behemoths like Motorola.

Though many distinct cultures are prevalent around the world today, those that are the most dominant have origins in one of a few areas called "culture hearts". These are the heartlands of various cultures and historically, there are seven main locations from which the most dominant cultural ideas have spread.

The seven original culture hearths are:

- 1) The Nile River Valley;
- 2) The Indus River Valley;
- 3) The Wei-Huang Valley;
- 4) The Ganges River Valley;
- 5) Mesopotamia;
- 6) Mesoamerica;
- 7) West Africa.

These regions are considered culture hearths because such things as religion, the use of iron tools and weapons, highly organized social structures, and the development agriculture started and spread from these areas. In terms of religion for example, the area around Mecca is considered the culture hearth for the Islamic religion and the area from which Muslims initially traveled to convert people to Islam. The spread of tools, social structures, and agriculture spread in a similar manner from the culture hearths.

Also important to the development of early culture centers are culture regions. These are areas that contain dominant cultural elements. Though not everyone in the culture region has the same culture traits, they are often influenced by it in some way. Within this system, there are four components of influence: 1) the Core, 2) the Domain, 3) the Sphere, and 4) the Outlier.

The Core is the heart of the area and shows the most strongly expressed culture traits. It is usually the most heavily populated and, in the case of religion, features the most famous religious landmarks. The Domain surrounds the Core and though it has its own cultural values, it is still strongly influenced by the Core. The Sphere then surrounds the Domain and the Outlier surrounds the Sphere.

Cultural diffusion is the term used to describe the spread of cultural ideas from the Core (in the case of culture regions) and the culture hearth. There are three methods of cultural diffusion.

The first is called *direct diffusion* and occurs when two distinct cultures are very close together. Over time, direct contact between the two, leads to an intermingling of the cultures. Historically this occurred through trade, intermarriage, and sometimes warfare because members of the various cultures interacted with each other for long periods. An example today would be the similar interest in soccer in some areas of the United States and Mexico.

Forced diffusion or expansion diffusion is the method of cultural diffusion and takes place when one culture defeats another and forces its beliefs and customs onto the conquered people. An example here would be when the Spanish took over lands in the Americas and later forced the original inhabitants to convert to Roman Catholicism in the 16<sup>th</sup> and 17<sup>th</sup> centuries.

The term ethnocentrism is often applied to forced diffusion because it refers to the idea of looking at the world only from one's own cultural vantage point. As a result, people participating in this form of diffusion often believe that their cultural beliefs are superior to those of other groups and in turn force their ideas upon those they conquer.

In addition, cultural imperialism is usually placed into the category of forced diffusion as it is the practice of actively promoting cultural characteristics such as language, food, religion, etc., of one nation in another. This practice is normally within forced diffusion because frequently occurs through military or economic force.

The final form of cultural diffusion is *indirect diffusion*. This type happens when cultural ideas are spread through a middleman or even another culture. An example here would be the popularity of Italian food throughout North America. World today knows that pizza is the product of a long history of changing connections between Italy and U.S and between both countries and wider world. It is a history of travel, tourism, migration, agriculture, industry, commerce and creativity in the kitchen. After all, spaghetti with red sauce, peppers, polenta, zucchini and pizza with peppers or tomatoes have rarely moved in one direction only.

Technology, mass media, and the internet are both playing a huge role in promoting this type of cultural diffusion around the world today.

Because cultures develop over time, new dominant areas of dominant culture have done so as well. Today's modern culture hearths are places such as the United States and world cities like London and Tokyo.

Areas such as these are considered modern culture hearths because of the prevalence of their cultural aspects now present throughout much of the world. Take for instance the popularity of sushi in Los Angeles, California and Vancouver, British Columbia or the presence of Starbucks in places like France, Germany, Moscow, and even in China's Forbidden City.

Direct diffusion has certainly played a role in this new spread of cultural values and as products as and people are now moving around frequently because today's ease of travel. Physical barriers such as mountain ranges also no longer hinder people's movement and the resultant spread of cultural ideas.

It is indirect diffusion though which has the largest impact on the spread of ideas from places like the United States to the rest of the world. The internet and advertising through the many forms of mass media have allowed people worldwide to see what is popular in the U.S and as a result, blue-jeans and Coca-Cola products can be found even in remote Himalayan villages.

However cultural diffusion occurs now or in the future, it has happened many times throughout history and will continue to do so as new areas grow in power and pass on their cultural traits to the world. The ease of travel and modern technology will only aid in speeding up the process of modern cultural diffusion.

Different perspectives exist in different cultures on several issues; e.g.:

- Monochromic cultures tend to value precise scheduling and doing one thing at a time; in polychromic cultures, in contrast, promptness is valued less, and multiple tasks may be performed simultaneously.
- Space is perceived differently. Americans will fill crowded where people from more densely populated countries will be comfortable.
- Symbols differ in meaning. For example, while white symbols purity in the U.S., it is a symbol of death in China. Colors that are considered masculine and feminine also differ by culture.

- Americans have a lot of quite shallow friends toward whom little obligation is felt; people in European and some Asian cultures have fewer, but more significant friends.
- In the U.S and much of Europe, agreements are typically rather precise and contractual in nature; in Asia, there is a great tendency to settle issues as they come up. As a result, building a relationship of trust is more important in Asia, since you must be able to count on your partner being reasonable.
- In terms of etiquette, some cultures have more rigid procedures than others. In some countries, for example, there are explicit standards as to how a gift should be presented. In some cultures, gifts should be presented in private to avoid embarrassing the recipient; in others, the gift should be made publicly to ensure that no perception of secret bribery could be made.

Culture is part of the external influences that impact the consumer. That is, culture represents influences that are imposed on the consumer by other individuals.

The definition of culture offered in one textbook is "That complex whole which includes knowledge, belief, art, morals, custom, and any other capabilities and habits acquired by man person as a member of society." From this definition, we make the following observations:

- Culture, as a "complex whole", is a system of interdependent components.
- Knowledge and beliefs are important parts. In the U.S., is known that a person who is skilled and works hard will get ahead. In other countries, it may be believed that differences in outcome result more from luck. "Chunking", the name for China in Chinese, literally means "The Middle Kingdom". The belief among ancient Chinese that they were in the center of the universe greatly influenced their thinking.
- Other issues are relevant. Art, for example, may be reflected in the rather arbitrary practice of wearing ties in some countries and wearing turbans in others. Morality may be exhibited in the view in the United States that one should not be naked in public. In Japan, on the other hand, groups of men and women may take steam baths together without perceived as improper. On the other extreme, women in some Arab countries are not even allowed to reveal their faces. What some countries view as moral may in fact be highly immoral by the standards of another country. For example, the law that once banned interracial marriages in South Africa was named the "Immorality Act", even though in most civilized countries this law, and any degree of explicit racial prejudice, would itself be considered highly immoral.

Culture has several important characteristics: (1) Culture is comprehensive. This means that all parts must fit together in some logical fashion. For example, bowing and a strong desire to avoid the loss of face are unified in their manifestation of the importance of respect. (2) Culture is learned rather than being something we are born with. (3) Culture is manifested within boundaries of acceptable behavior. For example, in American society, one cannot show up to class naked, but wearing anything from a suit and tie to shorts and a T-shirt would usually be acceptable. Failure to behave within the prescribed norms may lead to sanctions, ranging from being hauled off by the police for indecent exposure to being laughed at by others for wearing a suit at the beach. (4) Conscious awareness of cultural standards is limited. One American spy was intercepted by the Germans during World War II simply because of the way he held his knife and fork while eating. (5) Cultures fall somewhere on a continuum between static and dynamic depending on how quickly they accept change. For example, American

culture has changed a great deal since the 1950s, while the culture of Saudi Arabia has changed much less.

Culture is a problematic issue for many marketers since it is inherently nebulous and often difficult to understand. One may violate the cultural norms of another country without being informed of this, and people from different cultures may feel uncomfortable in each other's presence without knowing exactly why (for example, two speakers may unconsciously continue to attempt to adjust to reach an incompatible preferred interpersonal distance).

Many countries are now joined in the communities of nations and chances are that these diverse markets will be transformed in to a single market of homogeneous group. The multinationals are spreading the fever of similar variety in most of the nations. As more and more consumers come in contact with the material goods and life style of people living in other parts of the world, they have the opportunity to adopt these.

Some marketers have view that markets are becoming homogeneous so the application of standardized marketing strategy will be possible. The standardized strategy will be more feasible. The question arises on the shared values and needs. The needs can be common but values will have difference. The companies are becoming concentrate on favoring a world brand. The brands, which have started as a local brand are now well accepted as a world brand. The brands like Gillette, Parker Pen, General Motors are in this category. These brands are well attached to the culture of country. The problems come when to spread and extend the same culture to other countries. The regional differences are there to show a difference on each other. The purchasing action assessment will be essential to know for the marketers.

The brands are communicated to the consumers according to culture of the country. How can be a consumer across the culture different from each other?! Can there be an extension of consumer behavior along with a product or services of one country to another country?! How consumers in one culture secure exposure to the goods of other people living in other culture is an important part of consumer behavior?! The question risen is how marketers mix these cultures together and manage them for longer duration of time.

The marketers introduce the new products and services to the market and they try to exploit the exposure gained by the new culture. The consumers also gather the taste through different measures and gather different cultural view. This is known as culture transfer. When consumers are making purchase decisions they may take in consideration the culture of their country. Culture becomes a criteria of evaluation for consumers regarding various purchase decision. The purchasers have a specific attitude for different products belonging to the different countries. For example Ford belongs to America, Mitsubishi belongs to Japan.

It is the retailers, Wal-Mart first among them, who have become the key players in the worldwide marketplace of our time. They are the new business giants fueling the China boom, building huge container ports on every continent, and transforming the metropolitan landscape at home. Controlling more than half of all world trade, they make the markets, set the prices, and determine the worldwide distribution of labor to produce that gigantic stream of commodities that flows across checkout counters in every major industrial country.

Everyone in U.S can easily notice that many of the things bought in America today are labeled 'Made in China'. This used to cause a bit of outrage among

Americans. It used to be that people tried to buy American made, but in the same time, as far as they know now that is a futile effort, and that in many cases it is not possible to find an American made product of a certain type only if you pay an outrageous higher price, than it is not difficult to understand why people have simply given up at being outraged about them. They choose to buy cheaper things, despite they know that most of them are made in some third world country.

But many of the products we see in America that are manufactured in third world countries are not being sold in America by foreign companies, they are being sold in America by American companies. American companies are the ones who lobby American law makers to allow this type of trade to happen and they are the ones that choose to have their products made overseas because they can get them made cheaper in foreign countries.. This is a situation that is created by American companies with cooperation from the American government, and this is where the outrage, if any, needs to be directed. In fact, American businessmen, companies and government officials have encouraged government and industry leaders of these countries to keep labor laws weak and keep the prices of labor and raw materials low in many cases.

The immediate concern of any American company is to secure goods and services for as low a price as they possibly can and then sell them for as high a price as they possible can. The easiest way to do this is to sell products made in third world countries in developed countries, in our case, America. In order to do this, companies go overseas and secure lucrative deals with governments and local businessmen for cheap labor and resources. American businessmen contribute to local policy and community leaders and programs that support their pro-industry agenda. They also contribute to American politicians who promote a foreign policy agenda that is beneficial to the wants of their company, which is to keep labor cots low in these countries, make trade as cheap as possible, and keep leaders in power in these countries who are loyal primarily to America, not their own citizens.

Essentially, what has happened is that international American businessmen have often ended up doing business with the most corrupt and exploitive of the native people, who are willing to work with the interests of the American businessmen for personal gain, instead of with the interests of their own community in mind. It is no coincidence that companies such as Wal-Mart work almost exclusively with the totalitarian regime of China. This is how they get their profits.

As Lichtenstein, L. has shown (2009) in his book *The Retail Revolution: how Wal-Mart created a brave new world of business*, all of these can be put into world history. It explains how Wal-Mart, America's largest and most controversial company, roared out of an isolated corner of the rural South to become the vanguard of a retail revolution that has transformed the nature of U.S. employment, sent U.S. manufacturing abroad, and redefined the very meaning of globalization.

For decades neither economists nor politicians gave retailing the respect it deserved. The publisher Henry Luce had inaugurated the Fortune 500 in 1955 when the top five U.S. firms were General Motors, Standard Oil of New Jersey, Ford, U.S. Steel, and Chrysler. His editors at *Fortune*, reflecting the views of economists and businessmen in general, thought the mere selling and transport of consumer goods a derivate, subordinate, dependent function within the more important and far larger industrial, factory-based economy. So the retailers were not considered for the Fortune 500 list, even if they were billion-dollar chains like Sears or Woolworth.

When *Fortune* inserted retailers on its list of giant corporations, Wal-Mart immediately popped up as number 4, measured by sales revenue, right behind GM, Ford, and Exxon Mobil. Sears Roebuck was number 9 and Kmart number 15. Indeed, by 1995 sixteen of the top one hundred firms on the Fortune 500 list were mass retailers. Wal-Mart, which also displaced General Motors as the largest private employer in the nation, moved to number 1 on the Fortune 500 list in 2002, and it has held that rank ever since, except for the year 2006 when the spike in oil prices put Exxon Mobil at the top. Today, the retail trade employs some 15.5 million workers, more than in all manufacturing. Wal-Mart alone employs almost twenty times the number of workers as the biggest oil company.

Founded less than fifty years ago by Sam Walton and his brother Bud, this Arkansas company is today the largest private-sector employer in the world, with nearly 2 million workers, 1.4 million of whom are in the United States. It operates more than six thousand huge stores, doing more business than Target, Home Depot, Sears Holdings, Safeway, and Kroger combined. It imports more goods from China than either the United Kingdom or Russia.

Wal-Mart's impact on small-town America was more dramatic than that of Kmart or any of the other big-box stores for two reasons. First, Wal-Mart preferred to put its stores in communities as small as five thousand people, which meant that no one could ignore its outsized impact on the local community and the surrounding towns.

Most Americans, even those who live in sprawling metropolises, believe that small towns embody a social ideal, a site of political and cultural harmony.

Although the retail revolution has brought Americans cheap goods, it has also generated risk and insecurity for millions, both at home and abroad.

But Wal-Mart's greatest challenge, as always, lay not in the realm of economics but in that of politics. The financial crisis, the recession, and the newfound power of the Democrats in November 2008 have shifted the nation toward policies that envision a far more active role for government and a transformation and regulation of many business practices. The administration of Barack Obama is certain to adopt policies and push for legislation that will have an immediate impact on the Wal-Mart business model. A rise in the minimum wage and a crackdown on corporate violations of the wage and hour law will raise labor costs at Wal-Mart and thereby reduce its competitive advantage over other retailers and grocers. Even more important, the Obama administration's determination to finally do something about health insurance will have a radical impact not only on the lives of low-age workers but on the businesses that employ them.

The era of global laissez- faire and conservative governance is also on the wane. In much of Latin America and in East Asia, politics are shifting to the left. Globalization will continue, but in a reformed fashion that reshapes the supply chains that now hold much of the world economy together. Like Taiwan and South Korea two decades before, China is now in the midst of the kind of social turmoil that promises to boost wages, enhance citizenship rights and make working conditions tolerable for millions of workers. This will not only will raise the prices of the toys and T-shirts that end up on the shelves of thousands of American and European big-box stores, but it may also force Wal-Mart and its vendors and subcontractors to recognize that the global reservoir of super-exploitable labor is vanishing and won't soon be replaced. A rise in Asian wages and world fuel costs is beginning to make it economical for companies to shorten their supply chains and manufacture locally many items once produced abroad.

The consumers live in a complex social environment. The categories of products they buy are related with their *culture*, *demographic factors* (as age and income), the way of keeping their home, the groups they belong to and the people they know.

The culture consists of all the beliefs, values and common objects in a society and they are handed down from one generation to another.

The most important features of a culture are:

- 1) It is learnt;
- 2) It is handed down through social institutions (family, church, school, media):
- 3) It morally recompenses the acceptable reactions from social points of view;
  - 4) It changes in time.

The second group of socio-cultural influences is made up of the demographic features, which includes the age, sex, occupation, income, education and geographical location.

For everyone is obvious that retired people do not buy roller skates; those with low incomes do not buy fur coats, people with medium education do not read philosophical books and Eskimos do not use refrigerators.

Contemporary marketers although are concerned about more subtle particularities when they analyze the population of potential buyers.

The role of demographic information is that of describing the markets and not to prognosticate the consumer's behavior.

The age of consumers is the one that affects the needs, interests, tastes, preferences and the ability of buying goods.

The level of incomes influences the way the money is spent. The companies plan their efforts in different ways when they address to those individuals earning big money or to those earning lower income. Preferences change with income, particularly with regard to the environment. Poor people care about different things than rich people do.

The level of education influences the way people buy goods. Generally speaking, educated people are much better informed and they usually take in consideration much more factors for making a final buying decision.

The geographical location - urban or rural, the climate - warm or cold, the terrain - mountain area or sea side area, all of these influence the needs and the requests for final goods the consumers will buy.

Social statute

Every society is stratified in social classes which share to each other common values, life styles, interests and common behavior.

The social class influences diverse aspects of consumer's behavior: the quality and dress style, interior decoration for their homes, the way they entertain themselves, choosing the sources for mass-media, the place and the way of buying goods, the way of saving and spending money and the sources for their credits.

The family as an economic agent is made up of related or unrelated individuals who stay in the same home.

The family as an economic agent and the family as classic concept are not the same. The first could consist of one person and the second could be made up of one person, two or more related persons, a step family or a classic family.

Social groups are those in which a person belongs, even if he/she does not totally agree with them (affiliation group) as well as those to whom individuals are identified with, even when there is not an official link between the person and the group (reference group).

Rumor could be a certain way information is passed on between consumers.

An important interest of marketers should be the bad rumors because of the fact that many study cases reveal that unfavorable rumors have greater impact on consumer's behavior than favorable rumors.

Situational influences are defined as factors that take action at one moment in some specific place, having no dependency with the characteristics of the product or the consumer. They could be grouped in five categories: the physical environment, the social environment, the temporal perspective, the intentional utility and the well being of the soul.

The physical environment refers to geographical location, sounds, aromas, lights, decors and all the other physical and interior conditions the consumer is exposed to.

Social environment is created by the people present at the moment of the final buying decision such as relatives, friends, other buyers, selling people. For example, while they are looking at an advertisement, family members could make different comments that influence other people perceptions.

The act of buying is a social activity, and people accompanying the buyer influence him/her regarding the goods he/she is going to buy, as well as the place from where the goods are to be bought. In the same time, there could be different aspects to be considered. For example, when they have guests, people buy goods (grocery) with much better quality than they usually buy.

Temporal perspective at one moment includes both the volume of time available for collecting the information, buying and using the product as well as the moment from the day or year, the time passed from the last using, etc.

The intentional utility indicates us the purpose for why the consumer searches information and buys a specific good. A relevant evidence of the utility is that between a product seen as a personal asset and a product seen as a gift.

Finally, the way the consumer feels in the moment of buying, influences the final decision for buying or not a specific good.

#### 5. CONCLUSIONS

We think it is very important to see the behavior of the consumers, either in the United States or elsewhere as a part of the New Economic Paradigm.

The characteristics of the New Economic Paradigm are:

- Prosperity doesn't depend exclusively on material wealth, such as natural resources. You don't have to be rich to get richer. Countries such as Ireland and Finland can be poor in traditional resources, yet still prosper.
- The world has an excess of capital. Many areas are cash-rich and are searching constantly for investment opportunities. But regions must show themselves to be worthy of consideration. Money isn't necessary for prosperity but investment is.
- Size no longer matters . Companies are no longer required to develop a substantial domestic market. Nokia is highly successful but has only a tiny domestic

market in Finland. In fact, a large domestic market is no longer a competitive advantage.

Some complain that globalization is an attempt to impose a particular form of commercial activity on the whole world at the expense of the varied tapestry of cultural differences. Others say that it is equivalent to Americanization.

Both groups are wrong. Globalization realizes and affirms our interdependence as human beings and societies. It exposes the fallacy of self-sufficiency, whether economic or cultural. It is a process of global optimization and the best mechanism to help less-developed nations to grow without artificial subsidies from the rich - but with legitimate filter of markets.

Globalization is nothing but the liberalization of the individual, consumers, corporations and regions from the legacy of the nation-state in which they belong.

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