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## **Food Culture Distance: An Antecedent to Export Marketing Strategy Adaptation - An Empirical Examination of Swedish and Finnish Food Processing Companies**

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### **Abstract**

This study explores dissimilarity in food culture (*food culture distance*) as an antecedent to the adaptation of export marketing strategy for food products, and examines the impact of marketing program adaptation on export performance. Building on previous research, this paper introduces a model for operationalizing the construct *food culture distance*. Data were gathered via a mail survey of Swedish and Finnish food exporters. The results indicate a significant correlation between *food culture distance* and the extent of product adaptation. However, product adaptation does not affect export performance, implying that other factors, along with marketing strategy, may influence export performance.

**Keywords:** Culture, export, food, marketing, strategy

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## **Introduction**

Due to economic globalization, goods, services, labor, information, and technology are flowing more freely across national borders (Pinstrup-Andersen 2002; Feenstra and Taylor 2008). Simultaneously, firms are developing and operating at a more international scale (Commander et al. 2008)

The European food industry, like many other European industrial sectors, has increasingly internationalized over the last decade (Eurostat 2009). This has been done mainly by exporting food products to international markets. However, food companies are also expanding internationally by establishing production facilities and retail outlets, and conducting mergers and acquisitions overseas (Benito and Strøm 2000).

Accordingly, from an international marketing perspective, a prominent challenge confronting food exporters in their internationalization decisions concerns applying a workable export marketing strategy in order to meet export venture objectives. Cavusgil and Zou (1994) define export marketing strategy as “the means by which a firm responds to the interplay of internal and external factors to meet the objectives of the export venture” (p. 4). Here, as Johnson et al. (2011) state, firms face a global–local dilemma. The question is whether they should standardize or adapt their export marketing strategy in order to meet the export venture objectives (Shoham 1995).

Levitt (1983), one of the most eminent advocates of standardization, argues in “The globalization of markets” that technology is a powerful force driving the world toward a converging commonality in which markets are homogenized and thus suited for standardized products. In contrast, proponents of the adaptation approach dispute this, claiming that the existence of significant dissimilarity in culture, legal and political systems, and customer values, etc., between markets, marketing programs must be adapted to the conditions of the target markets (Cavusgil et al. 1993; Cavusgil and Zou 1994; Calantone et al. 2004). Calantone et al. (2004) argue that, by adapting their marketing programs, firms are adapting the physical characteristics or attributes of products and their packages to the export market. Hence, by applying this strategy, exporting firms are trying to consider the major differences between nations and markets when making marketing decisions, in order to satisfy the needs of customers in each specific market. In contrast, when firms standardize their marketing programs, they are in fact ignoring the existence of dissimilarities between markets. Offering the same product in all markets may not satisfy all customers, so it is not always a feasible strategy (Calantone et al. 2004).

An export venture is usually initiated informed by economic (e.g., profits and sales) and/or strategic objectives (Cavusgil and Zou 1994). Therefore, the extent to which an export venture’s economic and/or strategic objectives are attained would determine its performance (Cavusgil and Zou 1994). Therefore, export performance is defined as “the extent to which a firm’s objectives, both economic and strategic, with respect to exporting a product into a foreign market, are achieved through planning and execution of export marketing strategy” (Cavusgil and Zou 1994, p. 4). The next question concerns whether adapting or standardizing the export marketing strategy will enhance a firm’s export performance.

Achieving the economic or strategic objectives of an export venture requires adopting workable and effective long-term marketing strategies when exporting to international markets (Huliyeti et al. 2008). Hence, from both the managerial and theoretical perspectives, it is important to understand the antecedents to the adaptation of export marketing strategy and to examine the economic consequences of adopting a particular adaptation strategy.

The adaptation of export marketing strategy by adapting the products is a more obvious issue in “old-line” industries, i.e., industries with a low-technology orientation (Cavusgil et al. 1993), such as the food industry (Rama 2008). Accordingly, the extent of an industry’s technology orientation negatively influences the degree to which it adapts its export marketing strategy. The argument is that products in lower-tech industries, such as the food industry, are more connected to customer tastes, habits, and customs, which differ from market to market (Cavusgil et al. 1993; Cavusgil and Zou 1994).

Furthermore, research reveals that products that cater closely to the needs of specific cultures or subcultures are likely to be adapted to the target markets. Accordingly, the cultural specificity of a product is one of the factors determining the degree to which its export marketing strategy will be adapted (Cavusgil et al. 1993; Cavusgil and Zou 1994). Cavusgil et al. (1993) define the cultural specificity of a product as “the extent to which the product caters to the needs of a specific culture or subculture” (p. 488). Therefore, the more specific a product is to a culture, the greater its degree of product adaptation. Food products traded in the food industry are highly culture specific (e.g., Lannon 1986; Fiddes 1995; Anderson 2005; Montanari 2006). According to Buisson (1995), due to the close integration of food with culture, it is difficult to promote the same food products in different markets, whereas other products can be promoted in different markets with only minor changes. Boddewyn and Grosse (1995) argue that dissimilarity in customer tastes is a key external obstacle to standardizing marketing practices for consumer non-durable products such as food. Hence, food exporters can be expected to adapt their export marketing strategies to a considerable degree when exporting to markets that differ substantially in terms of food culture, largely in order to satisfy customer tastes and preferences in the export markets.

Much research has examined the antecedents to export marketing strategy adaptation (Cavusgil et al. 1993; Cavusgil and Zou 1994; Evans and Mavondo 2002; O’Cass and Julian 2003; Ozsomer and Simonin 2004; Evans and Bridson 2005). Nonetheless, to the best of the author’s knowledge, comparable research in the food sector, specifically examining the effect of customer food culture on the export marketing strategy adaptation, is limited. The current research attempts to examine the impact of dissimilarity in customer food culture—henceforth, food culture distance—as an antecedent to export marketing strategy adaptation by food exporters.

This study mainly seeks to examine the relationship between food culture distance and the degree to which food exporters adapt their export marketing strategy. The study also examines the relationship between export marketing strategy adaptation and export performance in the food sector. Building on previous research (Askegaard and Madsen 1998), this paper presents a model of the operationalization of food culture distance as a predictor of the degree to which food exporters adapt their export marketing strategy. This study focuses on the adaptation of export marketing strategy with regard to the product, being a key component of the international marketing mix that manifests a firm’s characteristics in international markets (Calantone et al. 2004).

This is more appropriate in the current research setting, i.e., the food sector, in which, without a physical product, there is nothing to be traded in an exchange relationship (Grunert 2006).

The article is structured as follows: First, the conceptual framework is briefly outlined, then the proposed relationships are discussed and hypotheses developed. Next, the research design and methodology are described. Finally, the study's findings are discussed and conclusions about the theoretical and managerial implications of the study are drawn.

## **Conceptual Framework**

Building on conceptual models proposed in previous international marketing research (Cavusgil et al. 1993; Cavusgil and Zou 1994; Ozsomer and Simonin 2004), the conceptual framework postulates that a food company's export performance is influenced by the extent to which its export marketing strategy has been adapted, which per se is influenced by the food culture distance between the firm's home and export markets (Figure 1).



**Figure 1.** The Conceptual Framework

### *Antecedents to Export Marketing Strategy Adaptation*

Previous research identifies several factors that significantly affect the extent to which firms adapt their export marketing strategy (Table 1).

As Cavusgil and Zou (1994) point out, antecedents to export marketing strategy adaptation can be categorized as either internal or external forces. Factors related to firm or product characteristics are regarded as internal forces, whereas factors related to industry or export market characteristics are regarded as external forces.

Accordingly, a firm's international competence is among the internal forces that influence the degree to which it will adapt its export marketing strategy. Porter (2004) argues that the choice of marketing strategy is strongly influenced by a firm's capabilities and constraints. Cavusgil and Zou (1994) maintain that a firm's international competence is among the relevant capabilities in export marketing. Cavusgil et al. (1993) point out that direct involvement in international transactions (e.g., exports) and operating in international markets may increase the firm's international competence. Therefore, by achieving more international competence, firms proactively tend to adapt their products to the export market in order to reach customers in target markets (Cavusgil et al. 1993; O'Cass and Julian 2003; Calantone et al. 2004). Firm size is another internal factor whose effect on export marketing strategy is documented in the literature, large firms tending to apply a more customized marketing program. An adaptation strategy requires large resources (Whitelock and Pimblett 1997), so their access to more financial and management resources enables larger firms to invest more in adapting their products to target markets (Chung 2003).

**Table 1.** Antecedents to Export Marketing Strategy Adaptation

<b>Selected Studies</b>	<b>Identified Factors</b>
Cavusgil et al. (1993)	<ul style="list-style-type: none"> <li>• Product and industry factors</li> <li>• Company factors</li> <li>• Export market factors</li> </ul>
Cavusgil and Zou (1994)	<ul style="list-style-type: none"> <li>• Internal forces (firm and product characteristics)</li> <li>• External forces (industry and export market characteristics)</li> </ul>
O’Cass and Julian (2003)	<ul style="list-style-type: none"> <li>• Firm specific characteristics</li> <li>• Environmental characteristics</li> </ul>
Ozsomer and Simonin (2004)	<ul style="list-style-type: none"> <li>• Customer similarity</li> <li>• Market infrastructure similarity</li> </ul>
Evans and Bridson (2005) and Evans et al. (2008)	<ul style="list-style-type: none"> <li>• Psychic distance</li> </ul>

Dissimilarity in law and legal regulations, market structure, business practices, language, and customers between the firm’s home and export markets exemplify the external forces that influence the extent of export marketing strategy adaptation (Cavusgil et al. 1993; O’Cass and Julian 2003; Calantone et al. 2004; Ozsomer and Simonin 2004; Evans and Bridson 2005). Evans and Bridson (2005) argue that significant differences, as mentioned above, between the firm’s home and export markets make the firm adapt its product to the target market. The rationale is that these substantial differences oblige the firm to assume that its product in its current form will not satisfy prospective customers. Therefore, the product will be adapted to the export market. According to Calantone et al. (2004), by adapting its export marketing strategy, an exporting firm is trying to consider the major differences between its markets in its marketing decisions so as to satisfy the needs of customers in each market.

#### *Psychic Distance as Antecedent to Export Marketing Strategy Adaptation*

Psychic distance is among the most used and researched concepts in the international business and marketing field (Dikova 2009). Psychic distance has been cited to explain firms’ internationalization decisions regarding the pattern of market entry (Johanson and Vahlne 1977; Kogut and Singh 1988; Tihanyi et al. 2005) and foreign market selection (Dow and Karunaratha 2006; Dow and Ferencikova 2010). Moreover, psychic distance has been used as a factor explaining the adaptation of export marketing strategy (Evans and Bridson 2005; Evans et al. 2008).

According to Evans and Mavondo (2002), psychic distance is defined as “the distance between the home market and a foreign market, resulting from the perception of both cultural and business<sup>1</sup> differences” (p. 517). Consequently, psychic distance is a subjective (perceived) rather than an objective (geographical) distance (Prime et al. 2009) that refers to similarity or difference in the degree of separation between the company’s home market and a foreign export market (Evans and Mavondo 2002). Empirical studies reveal that a firm entering psychically more distant markets is likely to adapt its marketing strategies (products) to a greater extent than for psy-

<sup>1</sup> “Business differences” refer to differences in legal and political environment, market structure, economic environment, business practices, and language between the home market and a foreign market (Evans et al. 2008).

chically closer markets. This is because the perception of greater risk in target markets that differ considerably from the firm's home market may lead it to conduct more extensive market research, which may suggest that certain product attributes must be adapted to the export market (Evans and Bridson 2005; Evans et al. 2008).

Dissimilarity in culture (cultural distance) is a main component of psychic distance (Kogut and Singh 1988; O'Grady and Lane 1996; Evans and Bridson 2005). Previous research found that cultural distance is a key factor in export marketing strategy adaptation (Martenson 1987; Singh 1996; Calantone et al. 2004; Evans and Bridson 2005). Accordingly, firms are likely to adapt their marketing strategies when they perceive a substantial cultural distance in their target markets. Although Hofstede's index, based on five dimensions, i.e., power distance, individualism, masculinity, uncertainty avoidance, and long-term orientation (see Hofstede 2001), has been used as a dominant proxy for cultural distance in the past studies (Tihanyi et al. 2005), its use has been criticized in recent research.

Culture is defined as "the collective programming of mind that distinguishes the members of one group or category of people from another" (Hofstede 2001, p. 10). Accordingly, a nation's culture is visualized in symbols, rituals, and values. West and Graham (2004) argue that Hofstede's indices are value-based measures, and that values are not the only manifestation of a national culture that can [or should] be measured. In an empirical study of international retailers, Evans and Bridson (2005) find that cultural distance (measured using Hofstede's framework) does not significantly affect the adaptation of a retail offering. Other comparable studies either discard the significance of Hofstede's indices of cultural distance, for example, for foreign market selection in terms of exporting (Dow and Karunaratha 2006) and direct investment (Dow and Ferencikova 2010), or postulate an uncertain relationship (Brock et al. 2011). Dow and Ferencikova (2010) suggest that researchers need to move beyond simply inserting Hofstede's framework when operationalizing cultural distance. Other scholars refer to the importance and relevance of operationalizing cultural distance at the cognitive level of the decision-maker(s) instead of using macro-level indicators (Brock et al. 2011).

#### *Food Culture Distance: A Psychic Distance*

Food is described as a manifestation of a nation's culture (Lannon 1986; Fiddes 1995; Anderson 2005; Montanari 2006; Rozin 2006). Fiddes (1995) maintains that who we are is manifested in what we eat. Anderson (2005) points out that we consume food not only to meet our nutrient needs; humans also eat to communicate, cheer up, or "affirm religious faith." According to Anderson (2005), food is produced, prepared, and consumed inspired by human culture. Moreover, although humans are able to eat anything, they choose food based on their own preferences. Rozin (2006) describes food as a social marker that identifies one's group; food is an arena for making social contacts, expressing affection, and communicating. Taste is cited as one of the main factors determining consumer choice of food (Raats et al. 1995). Nonetheless, Montanari (2006) argues that, despite the common perception that the tongue is the organ of taste, the mind—which is shaped by culture—in fact plays the most important role in tasting food. Rozin (2006) maintains that culture is the predominant factor influencing human food choice, a statement confirmed by empirical research (see e.g., Schroeter et al. 2007). Food culture is defined as "a culinary order whose traits are prevalent among a certain group of people" (Askegaard and

Madsen 1998, p. 550). According to Swift (1999), dissimilarity in food culture (food culture distance) is one of the most important aspects of cultural distance between different markets/countries. Consequently, food culture distance is arguably a rigorous surrogate for cultural distance between markets. This is more applicable in the current research setting in which food exporter behavior in the internationalization process is under investigation.

Food culture distance is a subjective distance that refers to perceived similarity or difference in consumer food behavior between two markets. Following Evans and Mavondo (2002), it is proposed that food culture distance be defined as the distance between the home market and a foreign market, gauged by perceived differences in food culture.

From a marketing perspective, research indicates that products such as food that cater to the needs of a specific culture or subculture (Lannon 1986; Fiddes 1995; Anderson 2005; Montanari 2006; Rozin 2006) tend to be more adapted to the target markets (Cavusgil and Zou 1994; Cavusgil et al. 1993). This is due to dissimilarities in customer tastes, preferences, and customs among the markets (Boddeyn and Grosse 1995). By adapting their food products, firms strive to meet customer requirements in each specific market (Calantone et al. 2004).

Therefore, based on this review, it is anticipated that a food exporter will adapt its export marketing strategy when exporting to markets that differ significantly from its home market in terms of food culture. Accordingly, the following hypothesis is advanced:

*H1: Food culture distance positively influences the degree to which a food exporter adapts its export marketing strategy.*

#### *Export Marketing Strategy Adaptation and Export Performance*

Levitt (1983) maintains that standardizing their marketing programs allows firms to compete effectively in the global market. By standardizing their strategy and essentially exporting the same products to all markets, exporting firms achieve lower costs due to economies of scale, which positively influences firm performance. Moreover, Evans et al. (2008) argue that, by adapting their products to export markets, firms may face difficulties competing against local players, i.e., they “fail to capitalize on their uniqueness,” which might result in poor performance. On the other hand, proponents of strategy adaptation claim that adapting the products will provide opportunities for differentiation to satisfy all customer requirements in an export market (Cavusgil and Zou 1994; Buckley and Ghauri 2004), which may enhance firm performance (Porter 2004).

Another group of scholars discards the linear relationship between the adaptation/standardization of export marketing strategy and export performance. Johnson et al. (2011) argue that, by adapting their export marketing strategy, firms are responding to customer requirements and may therefore enlarge their sales. However, in the long run, the cost of this strategy adaptation may exceed the benefits. Accordingly, Yip et al. (2006) suggest that export marketing strategy adaptation has a non-linear (inverted U-shaped) relationship with export performance, i.e., a certain extent of export marketing strategy adaptation may improve export performance, but exceeding that leads to declining performance. Accordingly, in terms of firm performance, whether to adapt or standardize the marketing strategy can be seen as a decision based on a tradeoff between the

cost advantages of standardization and revenue advantages of adaptation (Buckley and Ghauri 2004).

Empirical findings are also inconsistent as to the correlation between export marketing strategy adaptation and firm export performance. O’Cass and Julian (2003) find that the extent of export marketing strategy adaptation does not significantly influence export performance: either standardization or adaptation of export marketing strategy can yield comparable performance. Ozsomer and Simonin (2004) and Evans et al. (2008) find a negative relationship between export marketing strategy adaptation and firm performance. On the other hand, Cavusgil and Zou (1994) claim that adapting products to the export market produces better performance for firms. This statement is justified in the food sector context by an empirical study of Italian food exporters in the Chinese market in which Huiyueti et al. (2008) conclude that developing an effective marketing strategy by adapting products to consumers’ consumption habits and taste is a key to a food exporter’s long-term success.

Consequently, due to the integration of food and culture (Lannon 1986; Fiddes 1995; Anderson 2005; Montanari 2006; Rozin 2006), it is anticipated that adapting food products to satisfy consumer tastes and preferences in the export market will enhance food companies’ export performance. Hence, the following hypothesis is advanced:

*H2: Export marketing strategy adaptation is positively related to a food company’s export performance.*

## **Research Methodology**

### *Population, Sample, and Data Collection*

The sample for this study consisted of the total population of Swedish and Finnish food-processing companies, totaling 358 firms. An apparent trend toward a more internationalized structure is noticeable in both the Swedish and Finnish food industries. Accordingly, since 1998, Sweden’s export value of food (including beverages) has increased by more than 130% (Statistics Sweden 2011). The corresponding number for Finland is approximately 200% (Eurostat 2008, 2010). This degree of growth calls for research specifically into internationalization issues in those countries.

Two registers of data on Swedish and Finnish food processing companies were acquired from Statistics Sweden and Statistics Finland, respectively. They were asked to provide the total population of food processing companies that satisfied the following criteria: (1) exported food products; (2) to at least three foreign markets; and (3) for at least three years. These criteria ensure that the respondents have adequate international competence and have been established in their target markets.

A formal structured questionnaire (see Appendix D) was used to collect the data from the respondents. In the case of Swedish companies, a cover letter explaining the purpose and importance of the study was sent to CEOs, who were asked to respond to a questionnaire that they would receive electronically shortly thereafter. After two reminders, the questionnaires were sent via mail to the CEOs who had not responded. In the case of Finnish companies, due to lack of

access to CEO e-mail addresses, the questionnaire, which was attached to a cover letter explaining the purpose and importance of the study, was sent directly via mail. Moreover, to reduce the risk of misinterpretation, questionnaires were professionally translated into Finnish.<sup>2</sup> A reminder was sent to the companies after two weeks. Dillman's (1991) total design method for mail surveys was applied in this study. A reply-paid envelope was enclosed with each questionnaire to minimize the cost of replying to the respondent. Furthermore, a summary of the results was promised as a reward to respondents who participated in the study. Finally, using the university letterhead for both the letter and the questionnaire helped establish the credibility of the survey.

A usable sample of 62 was obtained, yielding a raw response rate of 18% (i.e., 62 of 358). However, after taking into account the irrelevant cases (e.g., companies that exported animal feed, had gone bankrupt, or no longer exported), the effective rate was approximately 21% (i.e., 63 of 305). This amounted to a sample of 126 export ventures corresponding to 30 export markets (see Appendix A). This response rate was achieved because the respondents were asked to answer all questions twice, once with reference to an export venture in a psychically close market and once with reference to an export venture in a psychically distant market. After receiving a definition of psychic distance, the respondents were asked to nominate a psychically close foreign market and a psychically distant foreign market to which their firms had exported food products in the last three years. This method is in line with that used in previous research (Evans and Mavondo 2002; Evans et al. 2008). Consequently, the unit of analysis in the present study was the individual market export venture rather than the firm itself (Cavusgil and Zou 1994). The complete case approach (listwise deletion) was used to handle missing data (Hair Jr. et al. 2010).

In terms of the characteristics of the sample, 96 international operations in the sample were based in Sweden and 30 in Finland. The respondents came from a diverse range of business lines classified under the food processing industry, in which companies producing bakery and farinaceous products (23%), preserved meat and meat products (14%), and beverages (12%) were overrepresented (Table 2).

**Table 2.** Respondent characteristics in terms of line of business

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**Lines of business covered by the study**

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1. Bakery and farinaceous products
  2. Preserved meat and meat products
  3. Beverages
  4. Processed and preserved fish, crustaceans, and mollusks
  5. Dairy products
  6. Grain mill products, starches, and starch products
  7. Processed and preserved fruit and vegetables
  8. Vegetable and animal oils and fats
  9. Other food products
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*Method of Analysis*

According to Fornell and Larcker (1981), due to its flexibility and ability to unite psychometric and econometric theory, structural equation modeling (SEM) is increasingly being applied in

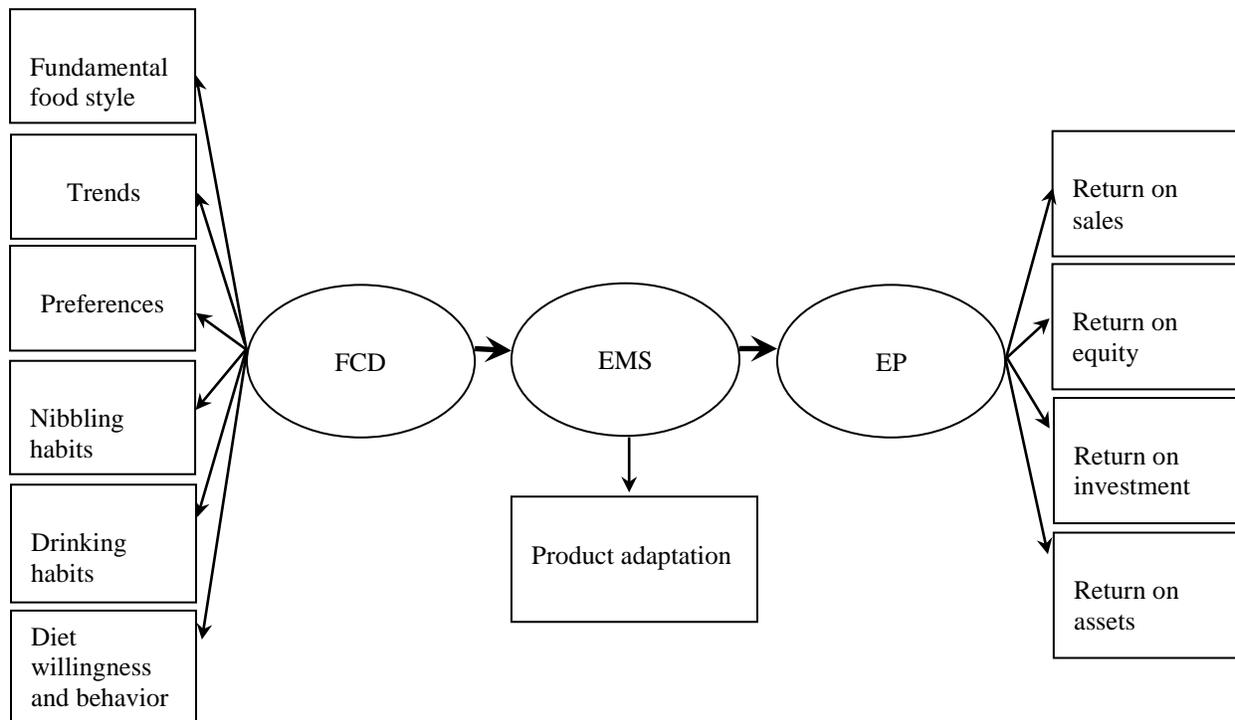
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<sup>2</sup> The original questionnaire was written in Swedish.

theory testing and empirical building in marketing research. SEM allows us to explain the relationships between unobservable variables (constructs) that are represented by observable or measurable variables (indicators). Applying constructs allows us to better represent theoretical concepts (e.g., food culture in this research) by using multiple measures of a concept to reduce the measurement error. Moreover, by accounting for the measurement error in the concepts, SEM improves the statistical estimation of the relationships between the concepts (Hair Jr. et al. 2010). The present research was designed using a two-step SEM process (Anderson and Gerbing 1988); first, the fit and construct validity of the proposed measurement models were assessed, after which the structural theories were tested. LISREL Version 8.8 (Jöreskog and Sörbom 2006) was used to estimate the measurement and structural models. Following Hair Jr. et al.'s (2010) recommendation, LISREL's maximum likelihood procedure was preferred for the estimation.

*Construct Measures*

To achieve valid and reliable measures of the variables, previously validated scales were used in this study. The structural model with corresponding indicators is presented in Figure 2. In accordance with LISREL conventions, indicators are shown in boxes and constructs in ovals (see Appendix B for a full list of all hypothesized constructs and indicators).



**Figure 2.** The structural model

*Food Culture Distance*

In a pilot study conducted as a part of the current research, 39 randomly selected respondents were asked to specify the extent to which customer food culture<sup>3</sup> in the export market was of im-

<sup>3</sup> Food culture was presented as a single accumulated variable.

portance in adapting the export marketing strategy; responses were given using a seven-point Likert scale ranging from 1 = “not important at all” to 7 = “very important.” Almost 54% of the respondents answered 4 or higher to this question, giving a sign of the importance of food culture distance as an antecedent to export marketing strategy adaptation in the food sector.

The measures for operationalizing the construct food culture distance (coded as *FCD* in Figure 2) were adapted from Askegaard and Madsen (1998). When analyzing the data from a 1989 lifestyle survey, Askegaard and Madsen (1998) introduced the following dimensions for measuring the construct *food culture*: fundamental food style, trends, preferences, nibbling habits, drinking habits, and diet willingness and behavior. The first dimension, *fundamental food style*, refers to questions regarding general patterns of food consumption and interest in food products. *Trends* covers aspects of trends in daily food consumption (e.g., convenience food and fast food). *Preferences* concerns the desire for a variety of food products and attributes (e.g., liquid substances and freshness). *Nibbling habits* refers to food consumption patterns between meals (e.g., consumption of fruits and candies). *Drinking habits* refers to drinking patterns. Finally, *diet willingness and behavior* covers matters of health consciousness, controlled eating programs, etc. (Askegaard and Madsen 1998).

The original survey—used by Askegaard and Madsen (1998)—was carried out by the Centre de Communication Avancé (CCA), a marketing research agency in Paris, in cooperation with the Europanel network of opinion research institutes in 15 European countries. The primary purpose of the survey was to generate a pan-European lifestyle typology drawing on approximately 20,000 respondents from 15 European countries. Askegaard and Madsen (1998) focused only on the results of the 138 food-related questions that were part of the CCA survey and looked at the traits of homogeneity and heterogeneity in European food cultures.

Accordingly, since the respondents in the current research consisted of companies, rather than consumers as in the original study, an adapted form of Askegaard and Madsen’s (1998) indicators and items was used to measure the construct food culture distance (see Appendix B). In the present study, the respondents were asked to specify the extent to which food culture was perceived to differ in two pre-nominated export markets versus the company’s home market using a seven-point Likert scale ranging from 1 = “totally the same” to 7 = “totally different.”

### *Export Marketing Strategy Adaptation*

Regarding export marketing strategy adaptation (coded as *EMS* in Figure 2), this study focused on export marketing strategy with regard to the product rather than the other marketing “Ps” (i.e., price, promotion, and place) since, according to Calantone et al. (2004), the product is a key component of the international marketing mix that manifests the characteristics of a firm in international markets. Moreover, even though the concept of marketing mainly concerns satisfying consumer needs by introducing better products, research in international marketing has often focused more on advertising adaptation and product promotion than on the adaptation of the physical product. Specifically, in the food sector, without a physical product, there is nothing to trade in an exchange relationship (Grunert 2006). Therefore, we need empirical studies in marketing research that focus more on the physical product than on its surrounding elements.

Adapted from the previous research (Ozsomer et al. 1991; Cavusgil et al. 1993), the construct *export marketing strategy adaptation (EMS)* was measured using a single indicator, the extent of product adaptation. Largely due to the focus of the present research on general product adaptation, it was assumed that a single indicator for *EMS* would adequately represent the construct. Moreover, this approach was in line with that of previous research (see, e.g., Ozsomer et al. 1991; Cavusgil et al. 1993). The respondents were asked to specify the extent to which they adapted their products when exporting to two pre-nominated markets using a seven-point Likert scale ranging from 1 = “no adaptation at all” to 7 = “total adaptation.”

### *Export Performance*

In this study, export performance (coded as *EP* in Figure 2) was measured using only economic indicators. This was done because Cavusgil and Zou (1994) have pointed out that the performance measures most frequently used in previous research and by government agencies are economic in nature.

Accordingly, four economic indicators adapted from Evans et al. (2008) were used to operationalize the construct *export performance*: return on sales, return on equity, return on investment, and return on assets. Respondents were asked to indicate the extent to which the aforementioned indicators<sup>4</sup> had changed over the last three years in each pre-nominated export market using a seven-point Likert scale ranging from 1 = “decrease of more than 20%” to 7 = “increase of more than 20%.”

The *FCD* and *EP* constructs were evaluated for validity and reliability.<sup>5</sup> The constructs, their indicators, standardized factor loadings, *t* values,  $R^2$  values (Jöreskog and Sörbom 1993), and construct reliability indices (Cronbach's  $\alpha$ ) (Hair Jr. et al. 2010) are presented in Table 3.

Construct validity can be evaluated in terms of convergent and discriminant validity (Hair Jr. et al. 2010). Convergent validity indicates how well the indicators of a construct converge, having a high proportion of variance in common (Dunn et al. 1994). Table 3 indicates that all the factor loadings met the criteria<sup>6</sup> and the *t* values were also significant at the 0.05 level. Furthermore, the calculated average variance extracted (AVE) values for each construct exceeded 0.5 ( $AVE_{FCD} = 0.761$ ,  $AVE_{EP} = 0.8724$ ). This was also an indication of convergent validity (Hair Jr. et al. 2010, 709). To test for discriminant validity, the method suggested by Fornell and Larcker (1981) was used. Accordingly, the AVE for any two constructs (in this case, *FCD* and *EP*) was compared with the square of the estimated correlation between these two constructs. The variance extracted estimates were greater than the squared correlation estimates (0.761 and 0.8724 vs. 0.0049), indicating that discriminant validity was satisfied. Construct reliability indices ( $\alpha$ ) also met the criterion, i.e., were greater than 0.7 (Hair Jr. et al. 2010) (see Table 3). This suggests good construct reliability for both *FCD* and *EP*, meaning that all the measures consistently represent the same construct.

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<sup>4</sup> The respondents were asked about the objective performance rather than their perceptions of the performance.

<sup>5</sup> I did not test EMS for validity or reliability since it was measured using only a single indicator.

<sup>6</sup> A robust condition of convergent validity is that the factor loadings are greater than 0.5 (Hair Jr. et al. 2010).

**Table 3.** Measurement models of the constructs, including  $t$  values and  $R^2$  values

Indicators	Construct	Standardized factor loading	Standard Error	$t$ value	$R^2$ value	$\alpha$
Fundamental food style <sup>f</sup>	FCD	0.93	0.08	11.19	0.90	0.932
Trends <sup>f</sup>	FCD	0.90	0.09	9.95	0.79	
Preferences <sup>f</sup>	FCD	0.91	0.08	11.10	0.89	
Nibbling habits <sup>f</sup>	FCD	0.86	0.08	10.39	0.83	
Drinking habits <sup>f</sup>	FCD	0.88	0.08	10.75	0.86	
Diet willingness and behavior <sup>f</sup>	FCD	0.83	0.09	8.99	0.70	
Return on sales	EP	0.78	0.14	8.40	0.61	0.959
Return on equity	EP	0.98	0.10	12.21	0.95	
Return on investment	EP	0.98	0.09	12.36	0.96	
Return on assets	EP	0.98	0.09	12.30	0.97	

<sup>f</sup>The indicators of the construct *food culture distance* are factor scores computed in SPSS Version 17.0 based on the factor loadings of all items for each indicator. Factor scores were used due to the creation of a smaller set of variables to replace the original set (Hair Jr. et al. 2010) (see Appendix B for a complete list of indicators and corresponding items). This approach is consistent with that used in previous research (see, e.g., Dow and Karunaratna 2006).

To assess overall model fit, the following goodness of fit (GOF) indices, together with  $p$  values,<sup>7</sup> were evaluated for both models: the root mean square error of approximation (RMSEA), the normalized chi-square ( $\chi^2/df$ ), the normalized fit index (NFI), the comparative fit index (CFI), and the adjusted goodness of fit index (AGFI) (Jöreskog and Sörbom 1993; Hair Jr. et al. 2010).

For *FCD*,  $\chi^2 = 12.70$  ( $p = 0.17684$ ),  $df = 9$ ,  $\chi^2/df = 1.41$ , CFI = 0.99, NFI = 0.98, AGFI = 0.88, and RMSEA = 0.073 and for *EP*,  $\chi^2 = 1.06$  ( $p = 0.58845$ ),  $df = 2$ ,  $\chi^2/df = 0.53$ , CFI = 1, NFI = 1, AGFI = 0.97, RMSEA = 0.000, indicating, first, that both estimated models have positive degrees of freedom and hence are identified (Diamantopoulos 1994) and, second, that the GOF indices have satisfied the criteria (see Appendix C for GOF criteria and acceptable levels).

Although the sample size in this study was relatively small, the high item (factor) loadings (>0.7) and the few constructs let us maintain the relationship between distinct parameters to be estimated to a sample size of 1:5, which is considered robust and desirable in SEM (Hair Jr. et al. 2010, p. 664).

The measures used here were obtained from the same respondent at the same time. Therefore, following Evans et al. (2008), it was necessary to establish whether common method variance (CMV) was a problem. To do this, the overall measurement model was modified to one in which all the measured items were indicators of only one construct. The new model was then tested and its fit was compared with that of the original two-construct model. Since the one-factor model's fit statistics<sup>8</sup> indicated that this model did not fit the data, CMV is not likely to threaten the findings (Olson et al. 2005).

<sup>7</sup> LISREL tests the hypothesis of bad model fit against the null hypothesis of good model fit; a  $p$  value above 0.05 is one indicator of good model fit (Hayduk 1987; Hansson and Ferguson 2011).

<sup>8</sup>  $\chi^2 = 402.73$  ( $p = 0.0$ ),  $df = 35$ ,  $\chi^2/df = 11.48$ , CFI = 0.50, NFI = 0.49, AGFI = 0.22, RMSEA = 0.358.

Regarding the construct *food culture distance*, the six indicators are manifestations of the latent variable rather than its defining characteristics, meaning that food culture is reflected in its indicators. Moreover, all the indicators share a theme (food consumption behavior), and it seems that omitting an indicator does not alter the conceptual domain of the construct. Finally, all the indicators have the same antecedents and consequences, suggesting that a reflective model<sup>9</sup> in which the direction of causality ran from the construct to the indicators was suited for operationalizing the construct *food culture distance*. Similarly, according to the definition of export performance (Cavusgil and Zou 1994, p. 4), a firm may enhance its export performance by applying a workable export marketing strategy (i.e., with a reasonable degree of product adaptation). Consequently, the extent of export marketing strategy adaptation is defined as a causal factor affecting the firm's export performance (see Figure 1). On the other hand, the degree to which a firm's economic objectives are achieved would be reflected in economic indicators. Furthermore, all the indicators share a theme: economic performance. Thus, these considerations suggested that a reflective model was also suitable for operationalizing the construct *export performance* in the current study. This approach has been used in previous research (Han et al. 2007).

### Results of the Structural Model

Based on the conceptual framework postulated in Figures 1 and 2, the validity of the structural model and its corresponding hypothesized theoretical relationships (H1 and H2) was assessed.

Accordingly, it was hypothesized that food culture distance (*FCD*) positively influenced the extent of export market strategy adaptation (*EMS*). Furthermore, it was hypothesized that *EMS* was positively associated with export performance (*EP*).

The fit statistics, i.e.,  $\chi^2 = 56.15$  ( $p = 0.08613$ ),  $df = 43$ ,  $\chi^2/df = 1.3$ , CFI = 0.98, NFI = 0.95, AGFI = 0.82, and RMSEA = 0.063, all indicate that the data adequately fit the proposed model. Table 4 summarizes the results of the path model.

**Table 4.** Structural Parameter Estimates

Structural relationships	Standardized factor loadings	Standard error	<i>t</i> value	<i>R</i> <sup>2</sup> value
H1: FCD → EMS	0.82	0.23	2.38	0.67
H2: EMS → EP	0.08	0.22	0.55	0.006

As indicated by a significant structural path estimate at the 0.05 level ( $t$  value = 2.38) from *FCD* to *EMS* (see Table 4), hypothesis 1 was supported by the data, implying a positive and significant relationship between *FCD* and *EMS*. Moreover, the  $R^2$  value indicates that *FCD* explains a significant proportion (67%) of *EMS*. The effect of *EMS* on *EP* is positive as predicted but not statistically significant ( $t$  value = 0.55), indicating that hypothesis 2 was not supported by the data.<sup>10</sup>

<sup>9</sup> See Jarvis et al. (2003) and Podsakoff et al. (2003) for a discussion of reflective/formative models.

<sup>10</sup> To test for a non-linear relationship between *EMS* and *EP*, models with transformed product adaptation values (squared and logarithmic) were estimated (Stolzenberg and Land 1983, pp. 640–646). In none of the models was a significant relationship obtained. The author is thankful to an anonymous reviewer for pointing out this issue.

## Discussion

The study's results provide support for H1: Food culture distance positively influences the degree to which a food exporter adapts its export marketing strategy. This implies that when a food exporter recognizes that it is exporting to a foreign market that differs substantially in food culture from its home market, it adapts its products to that specific market. This conclusion is consistent with previous research findings. Calantone et al. (2004) argue that, to satisfy customer needs in specific markets, firms should adapt the physical characteristics or attributes of a product and its packaging to the target market. Furthermore, when firms perceive a substantial difference between the export markets and their home markets they should adapt their offerings (Evans and Bridson 2005). This relates to a firm's assumption that its products are not suitable for a given export market, leading them to adapt its products to that market. Evans et al. (2008) point out that the perception of greater risk in target markets that differ considerably from the firm's home market may lead an exporting firm to conduct more extensive market research. This research may suggest that certain product attributes must be adapted to the export market.

The present findings indicate that food, which is a highly culture-specific product (Lannon 1986; Fiddes 1995; Anderson 2005; Montanari 2006; Rozin 2006), is adapted when exported to markets where customers have a significantly different food culture. This conclusion is also consistent with the results of previous studies demonstrating that products that cater to the needs of specific cultures have been adapted to export markets (Cavusgil et al. 1993; Cavusgil and Zou 1994). Accordingly, food exporters adapt their products to suit consumers' varied consumption habits and tastes in their export markets (Huliyeti et al. 2008).

The findings do not support H2: Export marketing strategy adaptation is positively related to a food company's export performance. Accordingly, the non-significant *t* value (see Table 4) indicates that neither a linear nor non-linear relationship between export marketing strategy adaptation and export performance can be established. Essentially, previous research findings are contradictory regarding the relationship between adaptation strategy and export performance. Cavusgil and Zou (1994) find that firms may enhance their export performance by adapting their products to the export market, as this better meets customer requirements in the export market, leading to increasing sales and revenues. On the other hand, proponents of standardization state that, due to the cost advantages of economies of scale, firms perform better when standardizing their products (Levitt 1983; Ozsomer and Simonin 2004; Evans et al. 2008). Furthermore, other researchers suggest a non-linear (i.e., inverted U-shaped) relationship between export marketing strategy adaptation and firm export performance (Yip et al. 2006; Johnson et al. 2011), meaning that exceeding a certain level of adaptation results in the adaptation cost surpassing the additional revenue generated (Buckley and Ghauri 2004). The results of the current research are consistent with O'Cass and Julian's (2003) finding that the decision to adapt or standardize the export marketing strategy does not influence export performance *per se*, i.e., either standardization or adaptation is appropriate and yields comparable performance.

There are at least two possible explanations for the lack of support for H2: (i) a food company's export performance may depend not only on its export marketing strategy adaptation but also on other variables not examined in this study, e.g., firm's strategically relevant resources (Barney 1991). According to Barney (1991), conceiving and implementing strategies requires a firm's

strategically relevant resources<sup>11</sup> (e.g., assets, capabilities, organizational processes, firm attributes, information, and knowledge). (ii) Export marketing strategy adaptation may be related to a food company's strategic rather than economic performance. The latter was measured in this study. However, Evans et al. (2008) find that the extent of export marketing strategy adaptation does not significantly influence a firm's strategic performance.

Consequently, this study suggest that applying an appropriate export marketing strategy (e.g., product adaptation) along with acquiring strategically relevant resources such as international competence (Cavusgil and Zou 1994; Evans et al. 2008) may enhance a firm's export performance.

## Conclusions

The findings of this study contribute to the literature on international marketing, more specifically, on international agribusiness management. First, the study builds on the work of Cavusgil and Zou (1994), Cavusgil et al. (1993), and Ozsomer and Simonin (2004) on the adaptation of export marketing strategy. Adapting ideas from Askegaard and Madsen (1998), the present research introduces the concept of *food culture distance*, and, to the best of the author's knowledge, this study is the first attempt to quantify the concept of food culture (distance) and empirically validate the explanatory power of food culture distance in relation to export marketing strategy adaptation. The findings indicate that food exporters are taking account of substantial differences in food culture in export markets when planning and executing their export marketing strategies. Second, consistent with previous research findings (e.g., Dow 2000; Brock et al. 2011), the present study justifies the importance and relevance of measuring *distance* indicators at the cognitive level of decision-makers. Third, the findings suggest that, in line with Subramanian and Lawrence (1999), despite the globalization of markets, national borders still matter. That is, differences between national cultures (including food culture) along with other differences, such as political and economic dissimilarities, contribute to the distinctiveness of national markets that provide business opportunities for firms to exploit. Finally, this study suggests that applying a workable export marketing strategy (e.g., product adaptation) may not enhance the firm's export performance *per se*. Achieving the economic objectives of an export venture may also require acquiring strategically relevant resources.

### *Managerial Implications*

The present findings have several implications for international marketing managers in food companies. The findings indicate that, due to the integration of food with consumer culture, marketing managers are paying close attention to dissimilarities in food culture (i.e., *food culture distance*) when planning and executing their marketing strategies. This enables food exporters to reach customers in overseas markets.

Markets with substantially different food cultures can provide business opportunities for food exporters in terms of greater ability to differentiate. However, exploiting these opportunities re-

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<sup>11</sup> Barney (1991, p. 102) distinguishes between a firm's resources and its strategically relevant resources. Accordingly, those attributes of a firm's resources that enable a firm to implement strategies that improve its performance are strategically relevant resources.

quires applying appropriate strategies in order to reach the customers in those markets. The study suggests that implementing a workable export marketing strategy, for example, by adapting the products, is a necessary, although not sufficient, condition for achieving the economic objectives of an export venture. Enhancing export venture performance also requires firm resources such as assets, capabilities, organizational processes, firm attributes, information, and knowledge, all of which enable a firm to implement its strategies. Therefore, acquiring international competence by operating in international markets would enable a firm to make better decisions regarding marketing strategies and hence enhance its performance.

### *Limitations and Future Research Directions*

Although the findings of this study have theoretical and managerial implications, I should note several limitations and make suggestions for future research. First, a more comprehensive structural model that includes other influential marketing strategy variables (e.g., legal, political, economic, and market structure differences between the home and export markets) would provide broader-based information about the impact of those variables and about the interaction effects between food culture distance and those variables. This would require a larger set of data with which to estimate a model including further variables. Second, the study focused on Swedish and Finnish food exporters only, so the findings may be limited in terms of generalizability across other countries and regions: it must be acknowledged that the identified relationships may differ in other regional settings. However, the findings of the study are expected to be generalizable in the food sector as such. Third, in this study, I assumed that the perceptions and responses of a company's CEO were representative of the whole company. It could be argued that, depending on the respondent's position in an organization, we might obtain different perceptions and responses from respondents in different positions. Fourth, in this research, the customers in each market (country) are assumed to be homogeneous. It would be interesting to consider dissimilarity between segments/subcultures within an export market and examine its effect on the adaptation of export marketing strategy. Fifth, in this study, the construct *EMS* was measured using a single indicator: *extent of product adaptation*. It can be argued that including other measurement variables<sup>12</sup> would better represent the theoretical concepts and improve the statistical estimation of the relationship between the concepts. Sixth, although the integration of food with culture has been underscored by previous anthropological research, the importance and relevance of food culture in business studies has been rarely researched (Schroeter et al. 2007). Therefore, more research in this area from the business perspective would lead to the presentation of more comprehensive models applicable to various theoretical and practical matters. Finally, as food is a rigorous manifestation of national culture, this study proposes that *food culture distance* could be used as either a sole or a complementary measure of cultural distance in cross-cultural research.

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<sup>12</sup> For example, adaptation of brand name, packaging, signage, and care labels (Ozsomer and Simonin 2004; Evans et al. 2008).

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## Appendix A

**Table 5.** The Export Markets Covered by the Study

Australia	France	Rumania
Austria	Germany	Russia
Bangladesh	Holland	Saudi Arabia
Belgium	Italy	Sweden
China	Japan	Switzerland
Denmark	Kuwait	Taiwan
Dubai	Monaco	Ukraine
El Salvador	New Zealand	USA
Estonia	Norway	Venezuela
Finland	Poland	Yemen

## Appendix B

**Table 6.** Full description of the constructs and their indicators

**Latent variable:** *food culture distance*

Fundamental food style	<ul style="list-style-type: none"> <li>• The speed the meals are eaten on weekdays</li> <li>• Number of small meals eaten</li> <li>• Interest in food products</li> <li>• Interest in cooking</li> <li>• Interest in eating at home</li> </ul> <p>(1 = totally the same ... 7 = totally different)</p>
Trends	<ul style="list-style-type: none"> <li>• Concern about health</li> <li>• Convenience food in daily meals</li> <li>• Fast food in daily meals</li> <li>• Nibbling between meals</li> </ul> <p>(1 = totally the same ... 7 = totally different)</p>
Preferences	<ul style="list-style-type: none"> <li>• Preference for stimulating and challenging tastes</li> <li>• Preference for tasting and feeling the food</li> <li>• Preference for fresh fruit</li> <li>• Preference for delicious, unhealthy food</li> <li>• Preference for liquid substances</li> <li>• Preference for creamy food</li> <li>• Preference for something to cut up</li> </ul> <p>(1 = totally the same ... 7 = totally different)</p>
Nibbling habits	<ul style="list-style-type: none"> <li>• Nibbling candies and pastry</li> <li>• Nibbling fruits</li> <li>• Nibbling ordinary chocolate bars</li> <li>• Nibbling salty snacks</li> <li>• Nibbling good-quality mini meals</li> <li>• Nibbling convenient and unhealthy small meals</li> <li>• Nibbling sophisticated chocolate bars</li> <li>• Nibbling small delicious candies</li> </ul> <p>(1 = totally the same ... 7 = totally different)</p>

**Table 6. Continued**

Drinking habits	<ul style="list-style-type: none"> <li>• Drinking red wine</li> <li>• Drinking white wine</li> <li>• Drinking strong alcohol</li> <li>• Drinking something quick and convenient</li> <li>• Drinking something healthy</li> <li>• Drinking cola products</li> <li>• Drinking beer</li> <li>• Drinking something expensive and sophisticated</li> </ul> <p>(1 = totally the same ... 7 = totally different)</p>
Diet willingness and behavior	<ul style="list-style-type: none"> <li>• Health consciousness</li> <li>• Watching the weight</li> <li>• Asceticism</li> <li>• Controlled eating program</li> </ul> <p>(1 = totally the same ... 7 = totally different)</p>

**Latent variable:** *Export marketing strategy adaptation*  
 Extent of product adaptation  
 (1 = no adaptation at all ... 7 = total adaptation)

**Latent variable:** *Export performance*  
*Return on sales*  
 (1 = decrease of more than 20% ... increase of more than 20%)  
*Return on equity*  
 (1 = decrease of more than 20% ... increase of more than 20%)  
*Return on investment*  
 (1 = decrease of more than 20% ... increase of more than 20%)  
*Return on assets*  
 (1 = decrease of more than 20% ... increase of more than 20%)

## Appendix C

**Table 7.** Goodness of Fit Indices (adapted from Hair Jr. et al. 2010)

GOF index	Interpretation	Acceptable level
Root mean square error of approximation (RMSEA)	Measures how well the specified model reproduces the observed data	Values less than 0.08
Normalized $\chi^2$ ( $\chi^2/df$ )	Measures how well the specified model reproduces the observed data	Values less than 3
Normalized fit index (NFI)	Assesses how well the estimated model fits relative to an alternative baseline model	Values close to 0.9
Comparative fit index (CFI)	Assesses how well the estimated model fits relative to an alternative baseline model	Values close to 0.9
Adjusted goodness of fit index (AGFI)	Assesses which model of a group of models is best	Value close to 0.9

## Appendix D

### Survey

#### Swedish and Finnish food and drink industry's strategies for internationalization

##### Purpose

The purpose of this survey is to examine whether 1) the perceived distance in terms of food culture between the company's home market and the export market affect the degrees of adaptation of export marketing strategy and 2) the adaptation of export marketing strategy would affect the company's export performance.

##### Application

All questionnaires will be treated confidentially and used only for research purposes.

#### Introduction

Please answer the following question regarding your company.

##### \* 1.1 Line of business (sub-sector)

- Bakery and farinaceous products
- Preserved meat and meat products
- Beverages
- Processed and preserved fish, crustaceans and mollusks
- Dairy products
- Grain mill products, starches and starch products
- Processed and preserved fruit and vegetables
- Vegetable and animal oils and fats
- Other

#### Psychic distance

Psychic distance is a perceived distance between the company's home market and a foreign export market. This distance is resulting from the cultural and business differences between the markets. A market can be perceived as psychically close even though it is geographically far from the home market if the company has, for instance, prior experience from that market and vice versa.

##### \* 2.1 Please choose two markets (countries) where the company has exported food products to during the last three years. Which of these markets do YOU perceive as psychically close respectively distant to the company's home market?

CLOSE MARKET

DISTANT MARKET

## Food culture distance

\* 3.1 To what extent do you perceive that following aspects of food culture is different/the same in the nominated CLOSE market in relation to the company's home market?

	Totally the same	1	2	3	4	5	6	7	Totally different
The speed the meals are eaten on weekdays		<input type="radio"/>							
Number of eaten small meals		<input type="radio"/>							
Interest in food products		<input type="radio"/>							
Interest in cooking		<input type="radio"/>							
Interest in eating at home		<input type="radio"/>							
Concern about health		<input type="radio"/>							
Convenience food in daily meals		<input type="radio"/>							
Fast food in daily meals		<input type="radio"/>							
Nibbling between meals		<input type="radio"/>							
Preference for stimulating and challenging tastes		<input type="radio"/>							
Preference for tasting and feeling the food		<input type="radio"/>							
Preference for fresh fruit		<input type="radio"/>							
Preference for delicious, unhealthy food		<input type="radio"/>							
Preference for liquid substances		<input type="radio"/>							
Preference for creamy food		<input type="radio"/>							
Preference for something to cut up		<input type="radio"/>							
Nibbling candies and pastry		<input type="radio"/>							
Nibbling fruits		<input type="radio"/>							
Nibbling ordinary chocolates bars		<input type="radio"/>							
Nibbling salty snacks		<input type="radio"/>							
Nibbling good quality mini meals		<input type="radio"/>							
Nibbling convenient and unhealthy small meals		<input type="radio"/>							
Nibbling sophisticated chocolate bars		<input type="radio"/>							
Nibbling small delicious candies		<input type="radio"/>							
Drinking red wine		<input type="radio"/>							
Drinking white wine		<input type="radio"/>							
Drinking strong alcohol		<input type="radio"/>							
Drinking something quick and convenient		<input type="radio"/>							
Drinking something healthy		<input type="radio"/>							
Drinking cola products		<input type="radio"/>							
Drinking beer		<input type="radio"/>							
Drinking something expensive and sophisticated		<input type="radio"/>							
Health consciousness		<input type="radio"/>							

Watching the weight	<input type="radio"/>
Asceticism	<input type="radio"/>
Controlled eating program	<input type="radio"/>

**\* 3.2 To what extent do you perceive that following aspects of food culture is different/the same in the nominated DISTANT market in relation to the company's home market?**

	Totally the same	1	2	3	4	5	6	7	Totally different
The speed the meals are eaten on weekdays	<input type="radio"/>								
Number of eaten small meals	<input type="radio"/>								
Interest in food products	<input type="radio"/>								
Interest in cooking	<input type="radio"/>								
Interest in eating at home	<input type="radio"/>								
Concern about health	<input type="radio"/>								
Convenience food in daily meals	<input type="radio"/>								
Fast food in daily meals	<input type="radio"/>								
Nibbling between meals	<input type="radio"/>								
Preference for stimulating and challenging tastes	<input type="radio"/>								
Preference for tasting and feeling the food	<input type="radio"/>								
Preference for fresh fruit	<input type="radio"/>								
Preference for delicious, unhealthy food	<input type="radio"/>								
Preference for liquid substances	<input type="radio"/>								
Preference for creamy food	<input type="radio"/>								
Preference for something to cut up	<input type="radio"/>								
Nibbling candies and pastry	<input type="radio"/>								
Nibbling fruits	<input type="radio"/>								
Nibbling ordinary chocolates bars	<input type="radio"/>								
Nibbling salty snacks	<input type="radio"/>								
Nibbling good quality mini meals	<input type="radio"/>								
Nibbling convenient and unhealthy small meals	<input type="radio"/>								
Nibbling sophisticated chocolate bars	<input type="radio"/>								
Nibbling small delicious candies	<input type="radio"/>								
Drinking red wine	<input type="radio"/>								
Drinking white wine	<input type="radio"/>								
Drinking strong alcohol	<input type="radio"/>								
Drinking something quick and convenient	<input type="radio"/>								
Drinking something healthy	<input type="radio"/>								
Drinking cola products	<input type="radio"/>								
Drinking beer	<input type="radio"/>								
Drinking something expensive and sophisticated	<input type="radio"/>								
Health consciousness	<input type="radio"/>								
Watching the weight	<input type="radio"/>								
Asceticism	<input type="radio"/>								
Controlled eating program	<input type="radio"/>								

**Export marketing strategy adaptation**  
Product adaptation

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**\* 4.1 To what extent does the company adapt its products when exporting to the nominated CLOSE market?**

No adaptation at all 1 2 3 4 5 6 7 Total adaptation

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**\* 4.2 To what extent does the company adapt its products when exporting to the nominated DISTANT market?**

No adaptation at all 1 2 3 4 5 6 7 Total adaptation

**Company's export performance development**  
Economic performance

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**\* 5.1 To what extent have the following economic indicators changed in the nominated CLOSE market during the last three years?**

	Decrease of more than 20 %	Decrease of between 10-20%	Decrease of less than 10%	Neither increased nor decreased	Increase of less than 10%	Increase of between 10-20%	Increase of more than 20 %
Return on sales	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Return on equity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Return on investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Return on assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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**\* 5.2 To what extent have the following economic indicators changed in the nominated DISTANT market during the last three years?**

	Decrease of more than 20 %	Decrease of between 10-20%	Decrease of less than 10%	Neither increased nor decreased	Increase of less than 10%	Increase of between 10-20%	Increase of more than 20 %
Return on sales	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Return on equity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Return on investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Return on assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Thank you for your participation in this survey.**

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**\* 6.1 If you are interested in receiving a report of the results of this survey please enter your e-mail address here.**