Abstract

In this paper a new and revolutionary marketing approach named ethnomarketing is proposed. Reaffirming marketing contextual character in which culture is assumed to conduct and guide the entrepreneurial success, main ethnomarketing characteristics are presented. First, ethnomarketing principal features are described, emphasizing its four epistemological foundations: ethnicity, ethnoconsumerism, cultural dimensions of markets, and marketed oriented organizational culture. Second, postulates of ethnomarketing are mentioned. Third, ethnomarketing strategic matrix elements are shown, highlighting the three marketing functions to be fulfilled: to comprehend consumers, to conquer customers, and conserve clients. Fourth, ethnomarketing and organization relationships are formulated. Fifth, ethnomarketing and ethnography’s mutual influences are explicated. Sixth, the main strengths of ethnomarketing are presented. Finally, some ethnomarketing research implications are suggested.

Key words: Ethnomarketing, culture and marketing, ethnography and ethnomarketing, cultural dimension of market, ethnomarketing’s postulates.

Resumen

En este artículo se propone una nueva y revolucionaria aproximación conceptual denominada etnomarketing. Reafirmando el carácter contextual del marketing en el cual la cultura es vista como la guía del éxito empresarial, se presentan las características del etnomarketing. Primero, se describen los principales rasgos del marketing, enfatizando sus fundamentos epistemológicos: la etnicidad, el etnoconsumo, la dimensión cultural de los mercados y las culturas organizacionales orientadas al mercado. Segundo, se mencionan los postulados del etnomarketing. Tercero, se muestra la matriz estratégica del etnomarketing resaltando las tres funciones del marketing que deben ser tenidas en cuenta: comprender consumidores, conquistar compradores y conservar clientes. Cuarto, se precisan las
INTRODUCTION

According to new tendencies viewing marketing as a social process, a broad epistemological trend supported by the relativistic paradigm has emerged. Culture has been recognized as the main backstage where consumption behaviors are assumed and where certain products have acquired a particular symbolism (Lindridge and Dibb, 2003). As a result, beyond instrumental, sociological, social, mutual benefice exchanges and strategic, administrative and market engineering considerations (Páramo, 2004b), a tendency in the academic and research community worldwide to think about marketing in a cultural framework has emerged in the last few decades. (Douglas and Isherwood, 1979, Arnould and Wallendorf, 1994, Páramo, 2000a, 2000b).

In contrast with the one-country paradigm, this propensity suggests that societies are subculturally determined to a large extent and that almost all countries consist of distinct subcultures (Japan, is an exception) (Rao, 1997). In fact, the past 20 years have witnessed increasing interest in cross-cultural differences between ethnic groups and their implications for marketing strategy using ethnicity and culture as segmentation criteria.

Apart from some research in multicultural Australia (Pires, 1999), very little has been done to conceive and develop the marketing process in countries with cultural diversity in their historical traditions. There is a lack of cultural marketing studies in the majority of Latin American countries, where there is a convergence of native, African and European ancestry with different shades and mixture).

Faced with the necessity mainly experienced by small and mediumsized organizations to incorporate culture in their process of conception, implementation and control of marketing activities as an organizational philoso-
Ethnomarketing begins by recognizing culture as the frame and the essence driving contemporary businesses. In the same context, consumer behavior, organization decisions and the market dynamism in which an enterprise develops its activities, are analyzed under cultural dimensions. Anthropological and ethnographic contributions characterizing consumption cultures are also considered.

Under the former cultural approach, it is plausible to accept marketing as a cultural expression rather than a technical one. Products (artifacts) are exchanged (marketed) between persons. Products are charged with symbolic meanings installed in the culturally constituted world. Consumers, customers, and clients (market demand agents) are linked to entrepreneurs, employees, and competitors (supply market agents) through agents and distributors (intermediary market agents), regulated by persons who work for private
and public institutions (regulation market agents). All of them act as human beings, rather than commercial beings, prompted by their values and beliefs, and by their deeper underlying world.

In this sense, ethnomarketing has been visualized as the social process in which, from the point of view of the human groups, it conceives and implements the three main functions of marketing: to comprehend consumers, to conquer customers (buyers) and to conserve clients\(^1\). Thus, the consumer is a person for whom every product is conceived, the customer is a person who acquires a product, and the client is a person who routindy purchases a product. All of these functions are grouped in a strategic matrix where the dispersed efforts of the modern businesses are accumulated. Ethnomarketing is conceived as marketing for homogeneous ethnic groups under the great cultural diversity that characterizes current cultures (Páramo, 2004a).

\(^1\) We prefer to use this classification for nemotecnie reasons. Each word begins with the letter “c”.

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**Figure 1**
Culture levels (Schein, 1985)
Accepting this revolutionary and irreverent way of seeing the fundamentals of marketing, ethnomarketing breaks the traditional and ancient marketing view from the classic marketing mix approach into thousands of fragments (4 P’s model). Under that old marketing concept much damage has been caused both to businesses and academic worlds when trying to reduce marketing processes to a universal formula with superficial variations in its four main ingredients (Gronroos, 1994, 1997), without paying enough attention to the radical adjustments having to do with considering current competitive surroundings.

The ethnomarketing proposal has been supported on four central grounds: first, the extensive debate around the historical-temporal ethnicity construct with two sets of principles operating within every human group: the inclusionary-exclusionary principle, and the difference-identity principle (Costa and Basmossy, 1995); second, Ethnoconsumerism understood as the study of consumption from the point of view of the social group or cultural group that is the object of study (Venkatesh, 1995); third, markets’ cultural dimensions where objects, norms and exchange parts acquire meaning only within a certain culture (Spillman, 1999), and fourth, market oriented organizational cultures (MOOC model) in which marketing assumes a prominent role as the main axis of every enterprise strategy (Páramo, 1998a), as supported in different prior work (Narver and Slater, 1990; Kohlí and Jaworsky, 1990).

1.1. Ethnicity

Several approaches developed in the social sciences involving ethnic topics are vast and complex, although from a marketing point of view in-depth anthropological and sociological perspectives on ethnicity as a social phenomenon are preferred. Thus, ethnicity is a concept of individual and group identity that “embraces differences identified by color, language, religion or some attributes of common origin” (Horowitz, 1985). As a theoretical construct ethnicity has acquired a central position in cultural studies establishing separate status for people operating within differentiated groups. Despite the undeniable importance that ethnicity has gained in marketing, there are still some questions about who defines it and what its borders are. Several researchers (Barth, 1969; De Vos, 1975) affirm that the basis of ethnicity is self-identification of the members mediated by the perception of the others.
From a marketing perspective most of the ethnicity studies deal with ethnicity as a complex social structure wherein the distinct ethnic values of a group are linked to consumer behavior. The majority of these studies involve ethnic groups living in developed country markets. Often these studies deal with processes of acculturation. Within the marketing discipline, literature, training, and epistemological paradigms, the focus is on learning to assess what is, in fact, culturally relevant outside the researcher’s own culture. As a result, much of the literature has tended to be parochial and/or ethnocentric in its perspective (Arnold and Bamossy, 1995)

1.2. Ethnoconsumerism

Putting together cultural, social, and individual aspects under the same analytical framework, Venkatesh (1995) the “ethnoconsumerism” construct is proposed. It is conceived as the study of consumption from the point of view of the social group or the cultural group to which one belongs. This new paradigm about consumer behavior uses theoretical categories originated within a given culture. Ethnoconsumerism is envisioned as the study of consumption from the point of the cultural order in question, using categories of behavior and thought that are native to the culture. Ethnos means nation and people, and consumerism is used in the classical sense of consumption as a set of cultural practices. Consumerism is not to be mistaken for concepts such as consumer activism, consumer rights, and so forth.

Ethnoconsumerism follows the intellectual traditions of comparative methods and cross-cultural studies, but it differs from existing versions of these studies in several aspects. Ethnoconsumerism is not a method, as the others tend to be, although cross-cultural comparisons can and must be made. Ethnoconsumerism begins with basic cultural categories of a given culture and studies the actions, the practices, the words, the thoughts, the language, the institutions, and the interconnections between these categories.

After reviewing many research experiences developed by several ethnic and cross-cultural studies, ethnoconsumerism forces the researcher to contemplate the person not as an individual but as a cultural being, as being a part of a culture, a subculture and other group affiliations. Ethnoconsumerism combines the study of the consumer with value systems, symbolic beliefs
systems, rituals and daily practices. All of them are intertwined in a holistic consumer vision. The ethnoconsumerism approach has several levels:

1) The study of the cultural level (symbolic and beliefs systems and, norms and ritualistic practices)
2) The study of the social level (social organization, social institutions, etc)
3) The study of the individual level (personality, cognition, behavior, mental constructs, etc).

1.3. Cultural dimensions of markets

Undoubtedly postmodern thought yields ideas that help to foster a better understanding of markets; in particular, of the dynamism of markets, and the interplay between firms and their environments on which this dynamism is based. The basic ideas of postmodernism are that the individual does not have an autonomous consciousness but needs communicative interaction with others to develop his or her own identity; that meanings are not given prior to communication but arise from it and are context-dependent; that there is no universal and permanent meaning, but at best only a local and temporary unity of meaning and consensus on the rules of the game, which are continually broken and shifted in an ongoing process of differentiation and change. (Nooteboom, 1992)

Under this approach the markets are like processes in continual construction and must be seen from the perspective of assigning meaning to the objects in the exchange process (commodification and decommodification), to exchange parties (markets social imaginary), and to the norms of market exchanges (Spillman, 1999).

- **Cultural construction of objects of market exchange.** Although this process tends to be taken for granted by economists and some economic sociologists, the goods and services that can legitimately be sold in markets vary widely both historically and cross-culturally. These products have suffered cultural commodification or decommodification processes from their original conception. This legitimating social process differs among the different existing cultures in the world and corresponds unequivocally to values, beliefs, and dominant cultural assumptions. It is conceivable that
the execution of this process of meaning assigned to a product – a good, service, or idea – by the set of people who use it, maintains a narrowly prescribed relation with the predominant cultural patterns. It has to be understood that this legitimating social process is related to the cultural dynamics in which these products are situated. Likewise, the existence of a series of symbols in the culturally constituted world, allows marketing professionals to define some of the symbols to be used to introduce, conserve, or take a product out from the market.

- Cultural construction of parties to market exchange. Spillman (1999) has labeled this social construction process of creating meaning by the parties to market exchange: “The social imaginary of the market”. Contrary to the general thought and practice on marketing, it suggests that transactions are not carried out by the individual alone but within groups (organizational, corporations, sections, nations, families, committees of purchases, for example) or by people who represent a given group. Most importantly, but simultaneously less recognized, is the ranking that traditionally has been assigned to this social imaginary of the “other” as the counterpart to the transaction in the market. These potential counterparts can be implicitly or explicitly delimited by geographic, demographic, ethnic, or racial aspects, as well as gender, nationality, and based on existing social networks and social classes. In regard to social classes, perhaps this is the most used marketing category through the well-known concept of social mobility with which potential “others” can acquire those products that symbolically allow them to see themselves as becoming better, almost as being part of a more elevated social class with more privileges and with greater refinement. This is a component of Veblen’s (1899) conspicuous consumption (emulation).

- Cultural construction of norms of exchange. This construction refers to the interpretation of the norms as well as to the ways in which, formally or informally, these norms are judged or used to sanction or to award someone. Specifically it refers to that which is considered “natural” in a given market as well as to those things that symbolize success and failure. Typically within a market exchange activities should be characterized as a clear competition between buyers and salesmen. These parties to the same transaction within lucrative organizations are directly related to market
agents who interpret and evaluate any transactions carried out under the social protection of such rules. What is implied by this prescriptive’s optics is that through the prizes and punishments schema it is possible to construct rules that impose and establish the limits of every executed transaction. It is expected that rituals associated with such norms of behavior symbolize this regulation of conduct and human acts (Páramo and Díaz, 2004). These norms, in their turn, have been stereotyped by people who use and practice them, and also come to be seen as laws of implacable application within which no opposing claims are permitted. Market agents’ behaviors—supply, demand, regulation, and intermediation—are watched by society members who in an open or a hidden way are in charge of fortifying and defending them.

1.4. Market oriented organizational cultures

Studying organizational culture as a source of sustained competitive advantages, Barney (1986) analyzed such cultures as a valuable, rare and imperfectly imitable resource. Consequently, the implementation of a specific organizational culture can become a source of superior sustained financial performance for the organization that manages, consolidates and maintains it. Among the modern forms of organizational cultures emerge those with a specific market orientation, suggesting that a business with an increased understanding of market requirements can improve its global performance (Narver and Slater, 1990).

It seems to be clear that during the development of the change processes carried out within any organization symbols can acquire new and potential idiosyncratic connotations (Barley, 1983). These symbols like language, besides being itself an integrating force of values and beliefs and expressions and forms to make things, allow that every member of any organization shares strategies, processes, and policies. It is for that reason why it becomes essential to construct a common language among the employees with respect to which a market oriented organizational culture implies in contrast to which traditionally has been believed

To establish a market orientation within an organizational culture is related, definitively, to the implementation of the marketing concept in the whole
organization (Narver and Slater, 1990). In other words, trying to create or to drive a market-oriented organizational culture implies efforts to instill the marketing concept as always present in every functional unit that comprises the organization. This means that in order to be successful, a market-oriented organization needs to construct long term relationships, implementing strategies that allow potential consumers to be converted into loyal clients, one of the essential postulates of the marketing concept. In order to achieve this state of client loyalty, an organization must have a close knowledge of its counterparts’ needs in each of the different moments in which the organization builds exchange relationships: before (pre-transactional exchange), during (transactional exchange) and after (post-transactional exchange) the process is executed (Páramo, 1998b).

Accepting the former approach, any market-oriented organization must operate by considering the three components of behavior—client, competition, and inter-functional coordination—and the two decision criteria—long term and profitability—that characterize all kinds of market orientation (Narver and Slater, 1990). Thus a market oriented organizational culture is defined as “a set of behaviors, myths, rites, rituals, symbols, beliefs, assumptions, and mainly values, that allow the organization to place the client in the center of its activities, to know its present and future competitors, to coordinate suitably its internal activities, to make the decisions in a long term perspective and not to forget its agreed profitability according to its own plans and needs previously determined” (Páramo, 1998a).

2. POSTULATES OF ETHNOMARKETING

Within the framework of uncertainties and multiple paths to cope with the consumer, ethnomarketing (as a discipline of thought and organizational action in which culture, understood from an anthropological and an ethnographic perspectives) and is taken as an overwhelming mechanism that stimulates and answers commercial relationships and produces almost unconquerable market segments. It is supported on the following postulates (Páramo, 2000a; 2004b):

- Marketing conception and practice are inscribed in the relativistic scientific paradigm, in open opposition to—not complementary with— the
The positivistic paradigm predominant in current marketing schools. That is, marketing, as a discipline has a contextual character and the validity of its truth depends completely on detected, analyzed, and interpreted environmental conditions. The essence of any context is totally determined by patterns and dominant cultural schemes.

- The 11 postulates of Ethnomarketing are ratified: a) Two systems conform the marketing system: one, is the study, analysis and interpretation of the organizational surroundings, and the other, the definition and implementation of the strategies and the programs in concordance with such reality; b) The marketing study object are the mutual benefits of exchange between company and market; c) Consumer sovereignty prevails; d) Consumers need to have freedom and in making decisions are driven to choose the best alternative; e) Companies must make attractive, differentiated and competitive offerings so consumers can exert their freedom of election; f) Consumption precedes to purchase act -occasional or repetitive; g) Desires put dynamism into demand and are their permanent motor; h) Market segmentation is a marketing imperative not a strategy of discretionary usage; i) Information is the raw material for decision making; j) Service is inherent to marketing and finally, k) Marketing’s final mission is to construct permanent relationships with clients.

- The market structure formed by the different market agents involves demand (consumers, customers, clients), supply (organizations, competitors), intermediaries (agents, distributors), and regulation (public and private institutions).

- Products – goods, services, and ideas, convey a high symbolic meaning.

- Anthropology, with its most recognized method, ethnography, is the social science most capable of comprehending, conquering, and conserving participant market agents.

- Market research must be supported on diverse methodologies where the consumer can be contemplated in natural scenes. Participant observation, in-depth interviews, hidden client techniques, consumption vestiges analysis, and film or audio registers, among other data compilation techniques, can be used.
• Consumption phenomena that form symbolic meanings rather than merely functional ones must be the starting point of any marketing effort.

• Any entrepreneurial organization must have a clear and powerful market oriented organizational culture to create superior values for the client.

• Marketing’s basic functions are synthesized in the three strategic foundations to reach organizational objectives: to comprehend consumers, to conquer customers, and to conserve clients. The consumer comprehending process is to contemplate, to collect, to categorize, to calculate, and to characterize them. The customer conquest process includes to coincide, to coordinate, to compete, to communicate, and to allocate all the organizational efforts. The client conservation process aims to consult, to classify, to consent, to cultivate, and to consolidate relationships with them.

• Market segmentation identification processes should be conducted under a symbolic perspective approach in which authentic consumption reasons are factors that envision potential consumers groups rather than relying on demographic, geographical, or socioeconomic bases.

• As human beings, consumers belong to different market segments at the same time in relation to a given category of product.

• Organizational communication must assure that it is aimed at a specific market segment, hopefully in a one by one relationship.

• Enormous organizational efforts should be made to build efficient and dynamic market information systems.

• Market audits must be practiced routinely within any organization

3. ETHNOMARKETING STRATEGIC MATRIX

Next, using culture with all its complexities rooted in tradition and the history of each market as an airdrop platform, the ethnomarketing strategic matrix (ESM) is presented. It is expected that this ESM will become an ordered, systematic, and coherent body of knowledge with which to practically face the typical consumption phenomenon of our present societies.
As it can be discerned from Figure 2, there are three fundamental functions in the ESM that must be undertaken from marketing perspective in order to be successful in terms of reaching the objectives of mutual benefits for the organization and its markets. These benefits must be established in order to achieve permanent exchange relationships. To facilitate greater recall and memorization of the 15 activities to be carried out, they have been synthesized in a 15 C’s matrix, five for each of marketing principal functions.

**Figure 2 Ethnomarketing Strategic Matrix (ESM)**

The main marketing process is our starting point. That is, this is the most fundamental ethnomarketing function related to the processes of comprehending consumers and utilizing the most effective sources of market intelligence that allow us to decide on a strategic course, and develop tactical plans to be implemented. Later, and armed with the information with which tastes, preferences, and consumption trends were comprehend, the entire organization must get ready for conquering customers (buyers), who at that time are being attacked by all classes of attractive and differentiated market suppliers. In order to close the marketing cycle that will serve as starting point for the new one. The central preoccupation is focused on the client conservation function either by adjustments to the given offerings, or by client requests, or simply, because of client loyalty. Is vital for the organizational survival within current scenes of competition so competed as those we are living in this moment.
Let us see in detail each one of these functions and the activities that ethnomarketing proposes.

3.1. Comprehend Consumers

Support for consumer sovereignty is one of the key postulates that ethnomarketing recognizes. This first function, is related to the necessity to comprehend consumers without any excuses. Consumption profiles, consumption trends, tastes, and preferences, for instance, should be deeply known. Based on contemplation of consumption phenomena, expressions, contexts, and rituals, it will be possible to know consumers, to categorize them, to calculate them, and mainly to characterize future marketing strategies and programs to be implemented to satisfy their most in-depth yearnings.

Understanding consumers must be translated into clear and convincing explanations of the human complexities facing consumers. With this information it is possible to draw up the path to transform these consumers into clients who are the end target of all organizational efforts in the market. Thus, the different consumption types inherent to this era will have to be made apparent, and their motivations enlightened by the ethnomarketing approach will need to be conceived in order to attend and service the human groups –ethnic groups.

For instance, profane and sacred consumption must accurately be delimited in order to discover if the profane or the sacred has prevailed in certain social circles. Emulation-based consumption also will have to be defined in terms of the insistent imitation processes of certain public people located in the superior layers of the society that many potential consumers carry out. The materialism thought to be typical of these times will also have to be considered given the remarkable influence that it has in the acquisition of certain type of products (luxury products, vehicles, jewelry) mainly those of greater social visibility which make them a self-extension. Things are not as they are; they are as we are (Belk, 1988). Possessions as a way to reaffirm many consumers’ personalities. For these consumers life turns around those things that can be acquired, and through these things they attempt to be seen as successful individuals and consequently worthy to be emulated. This, too, must be considered. Similarly, consumption rituals must clearly be identified
in terms of artifacts used, learned and faithfully repeated scripts, roles to be fulfilled, and the intended audiences for the which role is being executed. Likewise, it is indispensable to find the connection cultural values—terminal values—through which consumers try to materialize their consumption objectives, and those product attributes with which consumers assume that their expectations can be satisfied (Assael, 1999).

Executing the five activities associated with the initial function to comprehend consumers in their own context corresponds to pre-transactional exchanges of expectations by consumption profiles typical of this phase. The following activities must be implemented:

- **Contemplate:** The complexity of expressed human behavior in the form of consumption is so deep that any orthodox approach is insufficient to explain it. The consumption symbolism translated into behaviors that are not always appreciated at first glance demands audacity and risk to break with traditional forms in order to contemplate consumers in their own realities. To develop a singular task, it emerges that consumer contemplation processes do not from a passive and distant attitude in which the researcher involvement does not exist. On the contrary, based on human nature that tends to hide such behavior that can hurt individual images built in human relationships, it is necessary to use anthropological methods, particularly the ethnographical. Doing so, it is possible to study human beings in their complex dimensions with the deliberate intention to decipher the most recondite aspects of their personality. Participant observation, non-participant observation, in-depth interviews, hidden client techniques, film or audio recordings, and even analysis of vestiges—such as sweepings—have arisen as powerful alternatives to scrutinize, sometimes in the shadows, hidden consumer behaviors relegated to the subconscious world, avoiding discovery.

- **Collect:** As a result of the contemplation process there appears an urgent necessity to know consumers in all their confused and particular human dimensions. For doing so, ethnomarketing proposes the continual adding of information from highly diverse sources. Imagination and creativity to find this kind of information are needed and may require access to different archives and diverse official and private databases. The usage of
different information systems is recommended, such as reading general or specialized newspapers and magazines, revision of some native films, even some stories presented on T.V where certain lifestyles are is characterized, information transmitted through other mass media, T.V commercials, advertising advises, radio spots, formal and informal conversation with experts or consumers of products under study or substitutes, and so on.

• Categorize: Equipped with all the collected information taken from secondary or primary sources, the ethnomarketing is ready for looking for those mechanisms that allow grouping consumers into compatible categories, toward which it is possible to direct marketing efforts the company considers advisable. In other words, consumers belong to different segments entering or leaving them according to the particular consumption symbolism they seek. These situational segments should be accurately identified. It is possible to utilize different instruments to analyze the available information. From the most refined multivariate techniques to find statistically significant differences involving measured variables, to intuition and introspection process is carried out by the marketing decision maker/manager, transformed into the means to analyze, to interpret and consequently, to recommend the strategic path to be followed. Categorizing discovered groups; it will be possible to concentrate all the organizational potentialities to differentially serve each identified market segment.

• Calculate: Accepting that the ultimate goal of any marketing effort is to obtain profits—the essence of a capitalist system— it is essential to measure the market to know the volume of potential transactions. Here, the attempt is to be concrete, to have enough information, and to define a marketing strategy. In order to obtain this measurement it is necessary to determine each market segment size in terms of potential demand and current consumption volumes, to establish the amount of the market that is being served by diverse supply agents, and primarily to measure either the actual company market share or its target penetration. This need “to measure all that is susceptible to be measured,” (misestimates) the insights that are provided by the relativist epistemological approach in which ethnomarketing is enrolled with respect to the assumed disdain for the quantitative aspects that comprise human behavior. It is clear that no marketing strategy can be sustained in the long sun without having
absolute clarity of the company market position, its competitors, the
market size, and mainly the market portion that is being taken care of by
the whole sector in which the company is involved.

- **Characterize:** Having collected data about tastes, desires, preferences, ten-
dencies and in the consumption phenomena market segments to be taken
care of, market size, and sector and target shares, ethnomarketers have all of
the judgmental elements needed to determine the strategy and marketing
programs to implement. Diverse scenarios and different alternatives that
imply acting in each of them, the human, financial, administrative and
marketing resources demanded will then have to be brought to bear. It is
here when organizational abilities and capacities that are put into action to
delineate the way to “walk the walk” as well as potential difficulties that
can impede reaching its goals. This is a crucial time since the company
faces the obligation to make decisions with respect to the markets to be
take care of, and to the business in which it wants to participate. In this
sense, it is important to understand the role of the border definition—ample
or narrow—because it is going to limit the market to pursue. This crucial
definition has many critical consequences. Competitors and the business
in which the company is going to unfold all its potentialities depend on
it. For instance, if the company decides to be within the general transport
sector—including all types— or if it prefers to be within a narrower sector
or within interregional passengers, the business scenarios will be different.
According to this definition competitive forces that are to be faced and
the level of confrontation demanded in order to comprehend consumers
and turn them into clients will be identified.

3.2. **Conquer customers**

Inspired by several marketing postulates that serve as conceptual nourishment
to the ethnomarketing approach, this function is related to the conquest of
customers (buyers) and emerges as one of the key actions to be undertaken
by an organization that looks for word to maintaining itself in the market
in a profitable manner. The urgent necessity to display attractive, differenti-
ated, and competitive offerings, in the market so that the consumer has true
freedom and will in decisions, an organization must develop a package of ac-
tions that help it to become the best market alternative. This offering, unlike
many, is created not solely by basic products—goods, services, ideas—that are processed; on the contrary, the offering includes the organization that makes presence in the market as a whole.

It is for this reason, supported by the previous consumers’ comprehension process, that it is important to make those decisions to be implemented coincident with the detected reality, to coordinate all the areas within the company, to establish the characteristics of potential competitors, to communicate such particularities, and finally to coordinate any offering in the adequate channels in an opportune and profitable way. It is in fulfilling this marketing function that mathematical models appear for the decision-making by marketing engineering professionals.

The development of these five activities under ethnomarketing’s customer conquest framework puts the organization en route to fulfill the transactional exchange process in which the organization delivers products and by which it receives profits within pricing politics in return.

- **Coincide:** This is one of the most critical marketing activities that need to be developed in order to reach the organizational objectives. Experience has demonstrated the tragic inconsistency between known, studied, analyzed, and interpreted data with respect to the decisions made. Making all those detected realities concordant with the strategic program executed, it is possible to avoid wasting organizational efforts in constructing exhaustive and detailed situational diagnoses that are almost never considered in the marketing strategy formulation and implementation process. With the accomplishment of this activity it is desirable to connect the circumstances of the surroundings with the decisions implemented. That is, the essence of marketing is to find a clear answer according to market expectations.

- **Coordinate:** Following the same path to consistently link the detected market information with strategy and programs to be implemented, a market-oriented organizational culture must be built within a company interested in reaching its ethnomarketing goals. Inside that organization a set of values, beliefs, and some work assumptions created around the development of superior values for the client must prevail atmospheres and organizational climates in which rituals, informal networks of informa-
tion, heroes, and actions linked to the socialization, and stimuli processes should be created with thought given to fostering prosocial behaviors. This means encouraging certain cultural practices (improvement of labor conditions for those employees who have better relations with clients) around companies’ intentions to work with the clients, for the clients, and by the clients.

- **Compete**: Facing the unquestionable freedom and will that consumers have to prefer one of the multiple products that are offered in the market, the company must know clearly that in the business arena it will be in front of a series of competing forces that also fight to win the potential consumer's pocket. For that reason, without remaining exclusively watching itself in the mirror of the present and potential competitors, the organization must have the ability not only to identify them –directly or indirectly, but also know them in their trajectories, entrepreneurial spirit, strengths and weaknesses, strategies, programs, and in their daily activities.

- **Communicate**: These same competition levels perceived in each market segment, induce not only designing supplies competitively superior to those of the competition but also communicating them in an efficient form. It should be ascertained whether all of messages be delivered to the market target actually arrive. It is advisable to know at which corners of nacional or internacional geography the messages are arriving. In this sense, the different forms and the different means used have to guarantee that the audience towards which the competitive and attractive supply has been offered is receiving the message without obstacles or barriers. On this matter, the tradicional and wasteful formula of emitting a series messages to by channels of which little is known about their true impact must be discarded even though advertising professionals and communication agencies assert the opposite.

- **Collocate**: It is here where a good part of the efforts directed at accomplishing the two first functions of ethnomarkering takes place. Having understand consumers in the specific surroundings in which they live, and established the strategy in concordance with the detected market data and with the internal forces, everything is prepared to implement all activities so carefully planned to this point. To place the offering does
not mean anything more than to execute all of the directed activities to start up the organizational operation, beginning with distribution to gain greater impact. The channels planning process in which the brokers are going to fulfill their intermediation role between the company and the market emerges here.

3.3. Conserve Clients

Guided by the financial precept that it is cheaper conserving clients than conquering new ones, ethnomarkering proposes the idea of structuring a package of activities conceived to retain and to maintain those people who have somehow been in contact with the organization or a part of it. In doing so, it is suggested that most of the organizational resources should be devoted to creating internal systems that guarantee to consult, to classify, to consent, to cultivate, but mainly to consolidate the relationship with the clients. All of these activities under the permanent feedback philosophy that characterizes organizations, are intended to facilitate the enterprise policy to adjust and to fit the chosen strategic path or, at least, to look for optimum ways to avoid wasting resources in useless enterprise actions.

To implement this set of activities means in one way or another to make specific the ethnomarkering function rooted in the mutual benefits exchange looked for in the post-transactional phase where satisfaction is given in order to receive in return the loyalty of clients forever.

- **Consult:** Among the activities more widely accepted by persons interested in doing business although unfortunately the least practiced ones in real terms, is to investigate true attitudes assumed by current clients. And this is worse when in spite of knowing complaints, reclamation, and exigencies formulated by the clients, they are then sent to visit all the company areas (for instance through transferred telephone calls) or are simply the ignored. The attempt here is to test company’s ability to listen to the market voice, particularly to its specific market segment it has targeted. Implementing schemes of marketing audits that watch the fulfillment of the elaborated plans and programs, allows the creation of systems that guarantee to gather input from this restlessness and expectations.
• **Classify:** It would be absurd and quite myopic not to understand that one of the intentions to consult clients, is to classify them in order to analyze the possibility of consenting, cultivating, and mainly consolidating the relationship with these clients. This qualifying activity can be developed in varied forms. It is possible to have clients grouped by different loyalty levels based on the number of times periods those clients repeat their purchase in certain. It is also necessary to analyze the character of the product and its perishable nature. With this criterion, loyalty degrees can be established: completely loyal, moderately loyal, and intermittently loyal clients, for instance. Likewise, it is possible to use other equally important criteria. For example, depending on their proximity to company former clients can be seen as present, lost, recoverable and non-recoverable clients.

• **Consent:** Having clarity about groups and the content of their complaints, it is obligatory to create the conditions to start a recovery plan, for example, of those people who had contact with the company in a given time. The decision must be compelling and accurate. The policies must make some processes flexible empowering employees who are going to be related to those clients who occasionally have been hurt by some company decisions and some organizational conveniences. The doors of the dialogue, the assumption of mistakes, and the payment of indemnification—if there is place for them—must characterize this rational activity conceived to conserve clients.

• **Cultivate:** A great deal of the transparent spirit reflecting a true vocation in serving and protecting the client interests involves an organization understanding some key realities. Every action carried out will be reflected on in the long run. Those permanent mutual benefit exchanges today surely will be the “culture broht” of future relationships for those involved. The clients’ cultivation must be fed by an enterprise policy conceived to surprise the clients, giving them something unexpected, but which stimulates them in unimaginable dimensions.

• **Consolidate:** Structuring an adequate ethnomarketing program to conserve clients must include all the necessary mechanisms to feed these relationships to consolidate loyalty and attachment to the company, its programs, and its brands. This process of consolidation must put particular emphasis
on long run relationships to be established with different market agents, especially with those on the demand side. It must be accepted that the ultimate goal of ethnomarketing is to look for potential consumers through developing the comprehension function until transforming them into clients to be conserved until having someday conquered them like customers. This consolidation process seems to close the infinite circle of consumer-client-consumer. This is possible if a company as a whole can consolidate its relationships with the remaining market agents.

Having developed the three different and complementary ethnomarketing functions, it is clear that we are attempting to rescue what classic thinkers of modern administration as Peter Drucker affirmed with respect to the importance of creating clients, as the only reason of being of any organization.

This former way of thinking, characterized by challenging the entire organization to comprehend the market, conquer it, and conserve it satisfactorily for everybody, has impelled this intellectual effort. Putting together a series of reflections in regard to marketing’s professional job in spite of making it more complex has sendered it simplified by the enormous technological advances. This undoubtedly one the most relevant ethnomarketing contribution.

In the 1940’s, experts coping with the ENIAC computer –more than 30 kilos of weight and more than 18,000 vacuum tubes– elaborated a general and quite wrong prognoses with respect to the future of computers. They never understood the possible system developments around computation advances. As we now know, these systems have allowed us to process and to analyze data and help turn it into useful information. Also, they have facilitated the process of consultation and classification of clients to be consented, cultivated and consolidated for the general welfare of all of the involved people.

4. ETHNOMARKETING AND ORGANIZATION

Taking into consideration the role-played by ethnomarketing in this process of revolutionizing and shaking the current organizational structures, this effort would be incomplete if the relationship between this proposal and its effect on the organization was not considered.
As we can see in Figure 3 culture has invaded the whole sphere of current businesses without requesting permission from anybody. Its presence is perceived everywhere: In the market where the three culture levels are reflected (artifacts and conduct, values and beliefs, and underlying world), as well as inside the organization where the cultural patterns prevailing during the life of the company have also been transformed into the dominant ones.

In the above figure the previously mentioned types of exchange – pre-transactional, transactional, post-transactional (Páramo, 1998a) – are perfectly correspondent with the three different functions of ethnomarketing already analyzed – to comprehend consumers, to conquer customers, to conserve clients.

As indicated before, the consumer's comprehension process is developed through its five activities through and the pretransactional exchange of expectations by consumption profiles takes shape. The customer’s conquest process by means of these five activities allows us to make concrete the transactional exchange of products by utilities. And, finally the client’s conservation process materializes the post-transactional exchange of satisfaction by loyalty.
5. ETHNOMARKETING AND ETHNOGRAPHY

Knowing and interpreting consumer behavior, and entrepreneur is and employees’ attitudes from an ethnomarketing perspective, signifies seeing humans as social beings and not in the solitary optic according to the predominantly social research tradition. It implies resorting to ethnography in order to analyze the content of human actions attempting to find explanations for evident human irrationalities. This inevitably entails considering marketing from a contextual perspective, as group, cultural and symbolic manifestation to which the consumer belongs and/or has belonged during his/her existence.

In this sense, marketing as an expression of a certain culture must be seen from an anthropological and social optic, where beliefs, values, and traditions of participant agents determine the behavior of individuals who, as cultural beings, participate in the different marketing exchange processes (Mowen and Minor, 1998). Starting on detailed and in-depth studies about those determinant factors of human beings’ behaviors involved in the marketing process, it is possible to see the true contributions of cultural anthropology and its ethnographic methods to the conception and implementation of marketing postulates within a determined context. And this is possible with the present ethnomarketing proposal.

It is assumed that the process of studying, analyzing and interpreting the market environmental reality to give answers to the detected needs, implies in one or another form approaching the cultural surroundings. Consequently, these cultural circumstances could only be approximated by appealing to the ethnographic method of cultural anthropology to reveal the symbolic world that is hidden behind actions and commercial decisions of each studied community. The ethnography from its own epistemological perspective becomes a form not to learn culture but to live it within the perspective to experience it within certain groups according to their socially established and shared norms of conduct (Guber, 2001). Thus, not only does ethnography establish the context and subjective meaning of the experience of a group of people, it looks for explaining the cultural meanings of this experience in a comparative and interpreted way (Arnould and Wallendorf, 1994).
In order to fulfill its assignment, ethnography uses different methods to collect and process data in a full concordance with the clear ethnomarketing intentions to give life to the culture and its different ethnic expressions. In order to obtain it the next four characteristics of ethnography guide the practice of the research work of ethnographers and consequently of ethnomarketers (Arnould and Wallendorf, 1994):

- To give special primacy to the systematic process of gathering and registering information about human actions in natural settings in which the consumer expresses his/her deeper and rooted socio-cultural patterns.
- To involve the vast and experiential researcher participation in specific cultural contexts, particularly through participant observation.
- To generate interpretations of human behavior that participants find credible and acceptable.
- To incorporate multiple sources of intelligence in a search to find different approaches to the phenomenon under study, in contrast to pursuing traditional convergence in obtained results.

6. SOME ETHNOMARKETING STRENGTHS

Undoubtedly, it could be affirmed that ethnomarketing can be transformed into the clearest expression of a cultural encounter of several worlds that is worth being explored in order to understand the depth of its own complexities. On the one hand, the historical and social antecedents that bring both consumer and entrepreneur appears, and on the other hand traditions and market segments customs in which many agents are all going to encounter in search of the their own satisfaction emerge. Everyone conscious or unconsciously is taking part in the permanent exchanges properly planned by the organizations.

The advantages to approach marketing with this cultural perspective in mind are quite reasonable because it allows (Peñaloza, 2000):
• Exploring in greater detail the cultural dimensions of marketing activity.

• Taking sectors like analysis unit with special emphasis in the representation of production in speech and marketing activities.

• Transforming a method of markets research in a source of meaning in the market.

• Considering effects experienced by the development of market activity by marketing professionals

7. SOME ETHNOMARKETING IMPLICATION IN RESEARCH

It seems obvious that a revolutionary proposal like ethnomarketing will produce a rough shaking movement within traditional views of marketing conceptions and implementation. It is expected that classical ways to approach consumption phenomena and strategic paths to face it, will be changed. Thus, comprehending consumers, conquering customers, and conserving clients should be challenging marketing functions to be carried out under predominant cultural patterns within each market segment.

In this sense some implications for marketing research can be mentioned:

• According to the emergent relativistic paradigm in the contemporary marketing approach, it is necessary to accept the exclusive contextual validity of each conclusion to be obtained from any marketing research effort.

• Culture should not be seen simply as another environmental condition influencing organizational decision-making processes. Rather culture has to be considered as the central issue to be permanently researched in each type of mutual beneficial exchanges carried out between an organization and the chosen market segments to be served.

• In consumer market research it is necessary to accept consumption symbolism as the main marketing study object which has revolutionized traditional
research thinking within the majority of business schools throughout the world.

- If market segmentation is accepted as a contemporary marketing imperative it is necessary to develop marketing efforts to approach the symbolic segmentation identification process.

- During marketing strategy implementation, process market research should be focused on following relationships among the underlying world, values, and beliefs, and conducting an artifact symbolism according to Schein’s (1985) cultural levels.

- In the post-transaction, marketing function research activity should emphasize the symbolic relationship established between the organization and its market segments.

- In the post-transaction marketing function research activity should emphasize the symbolic relationship established between the organization and its market segments.

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