



CULTURAL INTELLIGENCE AND AN INDIVIDUAL'S ADVERTISING PREFERENCE  
IN THE LEBANESE COMMUNITY

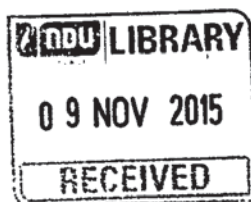
A Thesis  
Submitted in partial fulfillment  
of the requirements for the degree of  
Master of Arts in Media Studies

by

Jessica Eliane BouAoun

Department of Media Studies  
Notre Dame University – Louaize  
Lebanon

Fall, 2015



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## **Abstract**

Globalization and the recent technological advancements, such as smart phones, internet usage, social media and more, are contributing to the idea that our world is getting smaller by the minute. Different societies from all over the world are beginning to intertwine and as a result exposure to new cultures has become easier than ever through the use of different media technologies, such as the Internet; and such exposure has played a role in a person's cultural intelligence.

Cultural Intelligence is a relatively new concept that has become increasingly popular within the last decade. Every individual has cultural intelligence, just like everyone has an Intelligence Quotient (IQ) and Emotional Intelligence (EI), but the degree differs from person to person depending on one's own background. More specifically, these differences are affected and shaped by the various levels of cognition, metacognition, motivation, and behavior, which all are classified as the four capabilities of cultural intelligence (Mehra, 2006, pp. 489-502). However, in order to understand the underlining mechanism of how these capabilities are transferred into a diversified community, such as Lebanon, and understood, semiotics and diffusion of innovation will be applied throughout the study. It is vital to understand how exposure to different social codes and languages are accepted (semiotics), and at which rate they are transmitted through technology and adapted by individuals (diffusion of innovation); as a result, affecting cultural intelligence and an individual's understanding of global advertisements, in turn leading to a possible intent to purchase.

Although a significant amount of research has been done on globalization, few focus on cultural intelligence and how individual exposure to global advertising affects a person's purchasing decisions, especially in the Middle East region and more specifically in Lebanon. This research will test the concept of cultural intelligence in the Lebanese market through an

experiment that compares between a locally produced advertisement and a globally designed ad of an internationally known product, such as Pepsi and vice versa with a local product, Gandour Unica. Participants will be chosen at random and will include a wide range of the Lebanese population, in order to explore the level of a person's cultural intelligence when exposed to advertisements and their purchasing preference. This study will add to our theoretical knowledge and practical understanding of both design of advertisements (e.g., local or global) and the correlations of an individual's cultural intelligence and purchasing preference.

**Keywords:** Cultural Intelligence, Globalization, Advertisement, Semiotics, Diffusion of Innovations, Experiment

### **Cultural Intelligence and an Individual's Advertising Preference**

Today, the world we live in is getting smaller by the minute as it has become more feasible for different cultures, from all over the world, to intertwine with one another. This is in great part due to technological advances that have been made in recent years such as sending emails, the use of smart phones, video calling and social media applications and the spread of information from culture to culture. In fact, today the term "globalization" is used to describe what is happening. The term itself has resulted in a multitude of meaning ranging from a subtle meaning of the latest trend of the present moment to integration of the world of economy (Kellner, 2002; Temin, 1999). While the website Globalization 101 (York, 2015) goes into further details describing that it is the process when there is an interaction or intergration between people, companies and governments from different nations and are driven by international trade, investments and are supported by advances in technology. Furthermore, globalization is defined as the "increasing internationalization of economic life and its effects on trade, national sovereignty, laws and regulations, the mass media, and cultural identity" (Toland Frith & Mueller, 2010).

Through globalization the use of communication technologies are increased, such as emails and social networks allowing a network to be made between international markets to multinational corporations and their advertising agencies (Toland Frith & Mueller, 2010). In turn, this allows for relationships to be made between companies from all over the world. To a certain extent this can be beneficial, but due to cultural differences that people are not exposed to clashes may occur. In most cases this is only the tip of the iceberg as the increase in cultural diversity may create challenges or obstacles for individuals and organization, resulting in some clashes (Ang, et. al., 2007). In fact, there is a "sizeable body of research that demonstrates the



challenges of cultural diversity for multicultural domestic work teams" (Ang, et. al., 2007, p. 336), and little on the nonverbal behaviors and daily norms that come into play when interacting with someone from a different culture. Meaning that although we may know some basic traits when it comes to dealing with a new culture, or are even trained, there are basic norms, such as gestures and social cues, which are not taught; although one may have an idea of how to interact with someone from a different culture, not all individuals are the same and follow the basic cultural rules. To avoid any confusion or offending interpretations it is important for one to have a common knowledge and instinct when interacting with a person from a different culture. Although globalization has shortened the gap for gaining knowledge from various cultures and thus building a commonality among individuals of different cultural background, there is still a "gap in our understanding of why some individuals are more effective than others in culturally diverse situations" (Ang, et al., 2007, p. 336). For this reason it is important to study a relatively new concept known as cultural intelligence.

Cultural intelligence, which can be also addressed in the acronym of "CQ," is a relatively new concept that has become increasingly popular within the last decade. Each person has cultural intelligence, but the degree differs from person to person depending on one's background. Through the study of cultural intelligence, companies are trying to bridge the gap that happens when dealing with different cultures in the work environment. However, there is very limited research on how the degree of a person's cultural intelligence and their exposure to global advertising effects their purchasing decisions, especially in the Lebanese market. Therefore, this study will examine, through an experiment, the impact of the degree of a person's cultural intelligence, when exposed to a global advertisement and their purchasing behavior or when exposed to a local advertisement and their purchasing behavior. Following the experiment

more insight will be provided with a set of questions that will be answered via a posttest by the participant. This research offers an in-depth analysis on how cultural intelligence affects customers advertising preference and whether cultural intelligence plays a role in their purchasing behavior.

Additionally, this study will focus on globalization, its impact on society and its relation to cultural intelligence. First, in-depth and reliable research was conducted providing background information on the subject, followed by its consequence on local versus global societies and lastly on advertising. This will lead into the concept of cultural intelligence, which will feature its origination, how it is used today, distinguish the four capabilities of cultural intelligence and how it impacts individuals, and its significance on society.

The theories of semiotics and diffusion of innovations will be discussed in relation to cultural intelligence. The theory of semiotics is important to address and explain because it revolves around the study signs and symbols, and their meaning (Barley S. , 1983, p. 394). This relates to the topic of this research, since globalization and our world becoming a “global village,” a system of shared codes and symbols are accepted between cultural groups, therefore affecting a person’s cultural intelligence.

Although the study of semiotics is vital for this study it still leaves unanswered questions, such as the rate at which these new signs and symbols are transferred and how. For this reason, diffusion on innovations will be discussed as it pertains to the rate in which new media and technological advances spread within a new society (Nypan, 1970, p. 254). Through the spread of such information it allows individuals to become more global, thus resulting in a shift in culture and in relation to semiotics a new language or way of life is born.



Although a significant amount of research has been done on globalization, there has been a limited focus on cultural intelligence in advertising, especially in the Middle East region. This research will be the first to test the concept of cultural intelligence in the Lebanese market through an experiment that compares between a locally produced ad and a globally designed ad of an internationally known product such as Pepsi and the local product of Unica. There will be a total of four advertisements, a local Pepsi ad, a local Unica ad, a global Pepsi ad and a global Unica ad. Each participant will get one ad, at random, with a series of questions to follow. Participants will be chosen at random from the Lebanese market and will receive a link (online) to access the experiment. Following the detailed methodology and discussion of results, this research will end with limitations of the study, suggestions for future research and a concluding statement which recaps and reinforces the main points made throughout the study.

## Literature Review

### Globalization

The idea that our world continues to get smaller by the minute the more we, as a society, intertwine with one another, has become widely popular in recent years. This concept has become known as globalization. In fact globalization has become one of the most widely used term to describe the current state of the world. Although there are a number of definitions out there to describe this term only a few were chosen that relate to this study. For example, McQuail (2005) describes it as “the overall process whereby location of production, transmission and reception of media content cease to be geographically fixed, partly as a result of technology, but also through international media structure and organization” (p, 114). Or in other terms it is “the increasing internationalization of economic life and its effects on trade, national sovereignty, laws and regulations, the mass media, and cultural identity” (Toland Firth & Mueller, 2010, p. 2).

Many have come to believe that it is a crystallization of the world as a single place and the emergence of the global human condition, where global media business has provided the organizational framework and driving force behind globalization (McQuail, 2005, p. 17; Robertson, 1992). The concept of globalization is on-going and a complex process, expanding into different parts of the world and in different parts of the population, without an end at sight. What's more, the idea of globalization has been around for centuries (Cleveland & Laroche, 2007, p. 253). In fact the term relates back to the concept of “global village” by Marshall McLuhan; which dates back to when the telegraph was invented and refers to the idea that the “globe” we live in has been conformed into a village thanks to electric technology and the rapid spread of information between societies due to the advancements (Sprengel, 2014, p. 2).

Although the term itself is fairly new, globalization has existed for many centuries as a process by which cultures influence one another and become more alike through trade, immigration, war and more recently the exchange of ideas, such as advances in technology (Arnett, 2002, p. 774). For example, to show just how far globalization goes back, and before advances in telecommunications such as audiovisual media were introduced, the spread of globalization or just cultural experience was mediated by personal contact, religious ceremonies, public performances or printed texts (McQuail, 2005, p. 118). These factors are still applicable, but today the most common driving force behind globalization are through worldwide investments, production and marketing, advances in telecommunication technologies and the internet, increases in world travel and the growth of global media (Arnett, 2002, p. 774).

Due to the advancements made in telecommunication and a rapid increase in economic and financial interdependence worldwide. Many believe this has led to the creation of 'global consumer culture' in which mass communication has played a major role (Alden, Steenkamp, & Batra, 2006; McQuail, 2005; Robertson, 1992). Global consumer culture is a "cultural entity not associated with a single country, but rather a larger group generally recognized as international and transcending individual national cultures" (Alden, Steenkamp, & Batra, 1999, p. 78). However, many feel that this has become a consequence of globalization, which results in many challenges, especially in the host country.

**Challenges of globalization: Local vs. Global.** Many have reported that there are a number of consequences and challenges that have arose from globalization in relation to local products versus global products. To address the ongoing debate it is important to first understand the difference between the terms local and global. Local refers to a person's relationship to a larger world and his or her sense of belonging to a specific setting (Zhang & Khare, 2009, p.



524). The term local also refers to one's sense of identity and proof of a certain authenticity, for example stating "I am American" or "I am Lebanese;" while also drawing in a relational notion that differentiates between insiders and outsiders by simply stating "We" are American, "they" are Canadian, which suggests that a person has a psychological investment in their local setting (Toland Firth & Mueller, 2010; Westjohn, Singh, & Magnusson, 2012).

Typically there is a local culture where groups of people living in a bounded space have shared rituals, symbols, ceremonies and ideologies that are linked to one another. In advertising, these signs and symbols are used to appeal to the audience where they will feel a sense of belonging (Zhang & Khare, 2009, p. 525). In fact many advertisers depend on "visual communication" which is any image that is used to communicate an idea such as posters, drawing, photography, television advertisement (Powell & Moser Jurling, 2013) while using the signs and symbols of their own locality to build brand awareness. Closely tied to local identity is language. Those who share certain rituals and values, share the same language. But due to globalization and the spread of the English language, as that has become the common language worldwide, experts say that certain languages are starting to fade out (Toland Firth & Mueller, 2010, p.19; Zhang & Khare, 2009, p.525). This is due to many multinational brand names being in English, where campaigns and multimedia channels are written or spoken in the English language. The English language makes up 85 percent of the internet, which has become an increasingly popular tool as it is the simplest form to transfer information and within the past decade educators have integrated global education into their curricula. For this reason, and the increasing popularity of global studies and business, it is believed that we have become a global village (McConaghy, 1991; Toland Firth & Mueller, 2010).

In addition to the wide spread of the English language and the increased coverage of global communication and global trade, many are beginning to feel the world as a single place and thus are starting to identify with the concept of “global citizen.” This mentality compels people to “construct identities or views of themselves through the rational world” (Westjohn, Singh, & Magnusson, 2012, p. 62). Through this identification and the widespread of new media people no longer feel the sense of attachment to one location or social group, but rather are creating a bond with different groups through communications (Toland Firth & Mueller, 2010, p. 22). Therefore, Westjohn, Singh, & Magnusson (2012) claim the attachment with the global community suggests that the person identifies with humankind as a whole. However, this attachment and the very concept of globalization may threaten local identity and local businesses (p.59).

Additionally, McQuail (2005) believes that the theme of ‘globalization’ captures a range of debates about the costs and benefits resulting from it. For example, consequences may result for pre-existing cultural content and from the technological change that has steadily increased in the internationalization of cultural production and distribution (p.130). In other words, the popularity or sales of local brands tends to decrease when a globally known product enters a market. As global products enter a new market, especially from Westernized countries, citizens become more attracted to the global product and are more likely to choose it over the local product. This in turn hurts local businesses and may result in it shutting down, since local products are perceived as second rate. However, it is unknown if the same can be said if they localize the global product (Zhang & Khare, 2009, p. 525).

Again the entrance of a global product can be due to the strong impact of globalization and the advantage that the global product comes from a Westernized country. This is especially



true when “individuals around the world whose cultural, social and other differences are becoming less important as influences on their consumer behavior” (Keillor, D'Amico, & Horton, 2001, p. 3) and are more likely to go with global and popular brand names when it comes to their purchasing decision. This may cause a conflict psychologically where the consequence of globalization is the result in transformations in identity, meaning, how people think about themselves in relation to the social environment developing bicultural identity. Through this individuals start identifying or associating themselves with more than one culture. Arnett (2002) attests by stating a major

consequence of globalization, [is that] most people in the world now develop a bicultural identity in which part of their identity is rooted in their local culture while another part stems from an awareness of their relation to the global culture; [and as] local cultures change in response to globalization, some young people find themselves at home in neither their local culture nor the global culture (p. 776).

This may be true, as all over the world it is the younger generation who is affected by globalization. They are aware, although at different degrees, of global culture that exists beyond their local culture. Moreover, they are the ones most exposed to media outlets as it is their typical culture. Today, this includes media text that are produced by major media industries and often globalized in form (Arnett, 2002; McQuail, 2005). The Lebanese community is a good example of this.

**Globalization and Lebanon.** Lebanon is a diversified country where the concept of globalization is heavily practiced. In itself the country contains a number of subcultures that are diversified in its own nature. Due to the country's history and outside factors, globalization is a key term that can be associated with this country. For one, the majority of the Lebanese



population, based from The World Fact Book, is either bilingual or even trilingual; where the youth are taught to speak Arabic, English and French. Additionally, exposure to Westernized media is prominent in such cases like radio stations that are only English or French and play related music, cinemas that screen Hollywood films, and television stations (in addition to local stations) that broadcast popular American shows and movies.

Further adding to this topic, many products that are imported into Lebanon come from Westernized countries. In fact, “most of its imports are from the “EU, [USA and] Lebanon’s imports are about 10 times greater than its exports” (Haddad, 2000). Additionally, many popular American chains have also been brought to Lebanon like, McDonalds, Burger King, Starbucks, Nike, Nine West, etc., along with products like Pepsi, Coca Cola, and so on, that are advertised daily. Thanks in part to these contributing factors along with heavy internet exposure via social media or smart phones the country continues to globalize by the minute. For this reason the question on how to advertise such products come into play, as there is a constant worldwide debate on how globalization and advertising intertwine.

**Globalization and Advertising.** According to Firth & Mueller (2010) “the root of globalization lies in economic trade and improved methods of communication” (p. 3) and included in one of the methods is advertising. When it comes to advertising there is a two-way relationship between a society and advertising and this includes international advertising as well. The spread of advertising messages globally has never been faster than it is today. This is due to the “new media” available such as the smartphones, satellites, computers and the availability of rapid communication and advanced transportation (Firth & Mueller, 2010).

In response to such tools, major companies have been able to expand their brand into a global market. Such examples include, but not limited to, Coca Cola, Amazon, Starbucks,

McDonalds, and General Electrics. Due to the success of these companies abroad advertisers now feel that they can “sell the same thing, in the same way, everywhere” (Toland Firth & Mueller, 2010, p. 21). For this reason multinational advertising companies downplay any cultural differences and treat the world as if it were a single market; hence the concept of globalization. In global advertising, instead of validating the overseas “local” culture many multinational advertisers use the same basic campaign worldwide that validates their “home” culture; mainly coming from the West as that is where most ad agencies are headquartered (Ibid.; Zhang & Khare, 2009, p.526). For example McDonalds will localize with their menu items, but the overall branding and design stay true to their western identity

However, advertisers must be careful while practicing this, as ignoring societies cultural values can backfire. This is important as advertising messages can indeed be responsible for shaping and impacting a society. Advertising not only provides commercial information but it transmits values, influences behavior of both individuals and value-forming institutions and may even sway national development policies (Westjohn, Singh, & Magnusson, 2012, p. 65). When entering an international market advertising may shape a society but it must also mirror it. By understanding cultural values of international markets advertisers must come to learn one’s style of living dictates the manner in which a person consumes, a person’s needs and wants and advertising messages that will be effective. Cultural values are the core of advertising messages; hence advertising agencies must obey with a society’s value system rather than running counter to it. As some studies show that advertising reflecting local culture are more effective than those who ignore them. However, advertising can sometimes act as a distorted mirror where it only reflects values that sell the goods while also shaping society; by providing a façade of what the



world should be like through the purchase and use of the advertised product (Toland Firth & Mueller, 2010, p. 18).

Overall, the act of global advertising results in an exposure to content outside one's norm; and is just one piece of the puzzle to global exposure. The constant exposure plays a role on how a person sees and understands the world around them and in turn affects their cultural intelligence.

### **Cultural Intelligence**

In the wake of globalization and interconnectedness, global training or just global awareness has become essential in our everyday lifestyle as we become more exposed and introduced to cultural settings that are different than our own. In certain cases this has caused many obstacles, as it has been reported that managers from Western countries often fail to adapt or even understand the cultural behaviors of their international colleagues (Mehra, 2006). As a result of the failure and gaps, organizations and individuals are losing money and precious time. In response to this obstacle and new global challenges emerging due to globalization, many frameworks have been designed to better understand cross-cultural interactions between individuals from different cultural groups, such as cultural sensitivity and cultural resilience, which again is used to provide the knowledge and skills to understand and work with people from different cultures (Mehra, 2006). However, the most recent concept introduced is cultural intelligence (CQ).

Cultural intelligence was first introduced by P. Christopher Earley and Soon Ang in their 2003 book *Cultural Intelligence: Individual Interactions Across Cultures*. It was developed to help answer the question "why do some but not other individuals easily and effectively adapt their views and behaviors cross-culturally?" More specifically it refers to the concept of an

individual's capability to actively function and grasp, reason, and behaves in situations characterized by cultural diversity, where one is exposed to a setting outside their norm. Such differences include race, ethnicity and nationality (Ang, et al., 2007, p.348).

Additionally, it is a "vital aptitude and skill that enables outsiders to interpret unfamiliar gestures and actions as though they were insiders;" while allowing the individual to appreciate the similarities and differences that they may embark on. In turn, this allows an individual to effectively function and manage culturally diverse settings through organizing and conceptualizing the set of differences that they will encounter (Mehra, 2006; Leung, Ang, & Tan, 2014). It is important to note that cultural intelligence is not specific to a particular culture but specific to particular types of situations.

It has been argued that the approach of cultural intelligence provides significant improvements to previous concepts. For years "intelligence" was viewed as the ability to grasp concepts and solve problems not just in academic settings; but through technology, exposure to new cultural settings and the growing interest in real-world exposure (Ang, et al., 2007). In fact, there has been a growing interest in nonacademic concepts such as social intelligence, practical intelligence and emotional intelligence. Cultural intelligence plays off your emotions and picks up where the concepts of social and emotional intelligence leave off, meaning those concepts such as social and emotional intelligence only help us understand a person's behavior or attitude to a certain degree, especially when exposed to a different culture. For this reason, cultural intelligence becomes vital for the study and goes beyond just the social and emotional level.

Early and Peterson (2004) mention that people with high social and emotional intelligence are more able to empathize, work with, direct and interact with other people; where high social intelligence reflects a person's capacity to perform actions with others and high

emotional intelligence reflects a person's capacity to understand human emotions. Furthermore, an emotionally and socially intelligent person is able to distinguish between two features of a person's behavior: those that are universally human and those that are personal. This is where cultural intelligence picks up; a cultural intelligent person is able to identify and separate those features in addition to noticing a person's behavior rooted from culture and "unlike emotional intelligence, cultural intelligence digs deeper and focuses specifically on individual differences in the ability to discern and effectively respond to dissimilar cultures" (Mehra, 2006, p. 489). Therefore, cultural intelligence focuses specifically on intercultural settings and motivated by the effect of globalization.

Additionally, cultural intelligence differs in that it places a heavy emphasis on metacognition and an individual's ability to develop and expand a new culture's specialties; meaning that if need be, cultural intelligence highlights a person's capability of developing new behaviors, such as speech, sounds, gestures and more. Other benefits of cultural intelligence include that it is tailored to an individual's strengths and weaknesses. There are many features attributed to it such as knowledge and learning, motivational and behavioral capabilities, and it is built upon previous models related to cultural adaptation (Early & Peterson, 2004).

To refresh, according to Early and Peterson (2004), cultural intelligence:

Is uniquely tailored to the strengths and deficits of an individual, it provides an integrated approach to training dealing with knowledge and learning, motivational, and behavioral [capabilities], and it is built upon an unifying psychological model of cultural adaptation rather than the piecemeal and country-specific approach to training typically employed" (p. 101).



**Capabilities of Cultural Intelligence.** To understand the concept of cultural intelligence a bit more, it is important to look at what composes it. Mahra (2006) states some aspects of cultural intelligence appear to be innate, but through motivation and training individuals are able to enhance their innate level of cultural intelligence. To put it simply, we are all born with a level of cultural intelligence, some higher than others, but with proper training and exposure to a person's level can be enhanced to a higher degree of cultural intelligence. This is all based on the four elements or capabilities that make up cultural intelligence and are culturally relevant capabilities. When it comes to advertising and an individual's purchasing behavior, each capability will play a role on how attracted they are or are not to an ad. According to Leung, et Al. (2014), the four capabilities are metacognition, cognition, motivation and behavioral. The following is a brief description of each. Also, the scenario of a young Lebanese employee going to the United States for a business meeting will be used as an example on how each capability goes into effect.

***Metacognitive cultural intelligence.*** Metacognitive cultural intelligence is the strategy or mental capability to acquire and understand cultural knowledge and refers to the control of cognition and it includes thinking, learning, and strategizing. It refers to an individual's level of cultural awareness; how a person makes sense of a new cultural setting and is aware of the cultural knowledge they possess (Livermore, 2011, p. 17). Metacognition involves strategies that allow individuals to develop "new heuristics and roles for social interactions in novel cultural environments by promoting information processing at a deeper level" (Livermore, 2011, p. 18). When a person with high metacognition cultural intelligence is in a new cultural setting, he or she will begin to question their own culture assumptions, reflect during interactions, and adjust their cultural knowledge (Ang, Van Dyne, & Tan, , 2010, p.585).



Metacognition is a crucial capability of cultural intelligence since it: promotes active thinking about people and the situation an individual encounters in different cultures. It triggers active challenges to strict beliefs on culturally bound thinking, whether the feeling or knowing of belonging to or referring to certain cultural. Metacognition also encourages individuals to adapt and utilize their strategies so that they fit the cultural atmosphere they are currently in allowing them to achieve the desired outcomes in their setting. Metacognition is different than cognition in that it focuses on a high order cogitative process (Ang, Van Dyne, & Tan, , 2010).

In this case the young Lebanese employee will want to research and understand how business meetings are conducted in the states: How to dress, how to interact, to greet and so on. Through research he or she will need to understand the knowledge taken in.

***Cognitive cultural intelligence.*** It is reported that “humans have many cognitive skills due to a set of social cognitive skills, emerging early in origination, for participating and exchanging knowledge in cultural groups” (Hermann, Call, Hernandez-Lloreda, Hare, & Tomasello, 2007, p. 1360). Cognitive cultural intelligence is the structure of knowledge about cultures and cultural differences. This concept is not concerned with arithmetic problem solving or comprehensive reasoning but rather on the importance of comprehending and being able to function in cultural situations that are different than our own. More specifically the cognitive domain is concerned with the way individuals are able to store, process and practice culturally different situations and is a reflection of the stored knowledge taken from everyday norms and practices that have been acquired from different cultures, not just through education but through personal experience as well (Mehra, 2006; Ang, Van Dyne and Tan, 2010). Since information is obtained in the process of operating and acting on situations that are interpersonal and social in nature. Additionally, it also is concerned with how cultures are similar and different, and the knowledge about values,

social interactions, norms, and religious beliefs. Specifically, it is knowledge about rules of language and rules related to expressing non-verbal behaviors and an individual's level of cultural knowledge, knowledge of cultural environment, and knowledge of self as embedded in the cultural context of the environment (Ang, Van Dyne, & Tan, 2010; Livermore, 2011).

Cognitive capability of cultural intelligence is an important factor because knowledge of culture impacts people's thoughts and behaviors. By understanding a society's culture a person is able to gain a better perception of the systems or cultural behaviors that construct social interactions within a culture. Some examples of this may include: how a person from one culture is suppose to the greet an individual from a different culture (i.e. during a business meeting), a cultures acceptance of what is personal space (how close to stand near each other during a conversation), or identifying if a society is polychromic (spontaneous, multitasking) or monochromic (planned out, time oriented) and so forth. In turn, this allows the individual to accept cultural differences and will be less hesitant and uncomfortable when interacting a new cultural setting.

Here the young Lebanese employee will recollect and use the knowledge, basic facts researched and studied while knowing when and how to use the knowledge acquired during the meta-cognitive stage.

***Motivational cultural intelligence.*** Acquiring knowledge about a different cultural groups and how they deal with the world is not sufficient enough. One must be motivated to use the knowledge and produce a culturally appropriate response. For this reason, motivational cultural intelligence is the drive which reflects self-concept or a belief an individual holds about oneself, while also directing and motivating adaptation into a new culture. Motivational cultural



intelligence is the capability to direct and sustain energy toward functioning in intercultural situations (Early & Peterson, 2004; Ang, Van Dyne & Tan, 2010).

According to Mehra (2006), this domain is concerned with one's willingness or persistence to stay engaged in the process of making sense of unfamiliar social events and situations in dissimilar cultures. Certain characteristics associated with this specific attribute are efficacy or self-worth, confidence, persistence, and understanding and acceptance for a different culture. In fact, self-efficacy is key as it refers to "a judgment of one's capability to accomplish a certain level of performance" (Bandura, 1986, p. 172). It is vital in its role for cultural intelligence because successful intercultural interactions are based on a person's sense of efficacy in social and cultural settings; the weaker it is the less likely to succeed in a new cultural setting, which in turn will not give them satisfaction or reward needed to continue on, which will result in weakening their motivation. If the motivational degree of cultural intelligence is weak then adaptation will not occur. Typically this is not the case with people who have high cultural intelligence as they have strong sense of efficacy with regards to intercultural encounters. Motivational cultural intelligence is crucial in that it is the source or the drive. It is what will prompt the effort and energy needed to function in a new cultural setting.

Now that the Lebanese employee has the knowledge needed to interact with a different cultural setting they will use the "link" of having the knowledge and acting on it to proceed. That "link" is their motivation to want to use the knowledge acquired. Knowing how the American company acts during business meetings is not enough, rather having motivation to practice and use the information during the meeting is crucial.

***Behavioral Cultural Intelligence.*** Behavioral cultural intelligence is the action and the ability of behavioral flexibility in intercultural interactions or encounters between different

cultures (Early & Peterson, 2004, p. 105); meaning that in the behavior aspect of cultural intelligence adaptation is not only know what and how to do, or possessing the motivation to make the effort, but also having the responses needed for a given situation in an intercultural setting. In general, high cultural intelligence allows an individual to acquire or adapt behaviors appropriate for a new culture, while also giving them the instinct of where new behaviors are needed and how to execute them effectively (Early & Peterson, 2004, p.104). Generally speaking it is the verbal and nonverbal actions that take place while interacting with people from different cultures. An example of this may be how close or far an individual is standing while in a conversation. This is what makes it a crucial component of cultural intelligence, since actions are the most significant features of social interactions.

Characteristics associated with this are social mimicry or imitation and behavioral repertoire. A person who possesses high behavioral cultural intelligence is able to integrate and mimics cues and behaviors (Bargh & Chartrand, 1999, p. 465). The study of semiotics comes into play here as each culture possesses its own social cues and codes. Typically mimicry is subtle and often subconscious, but the result of it are positive in social encounters. A person with high cultural intelligence is an expert when it comes to mimicking and understanding the right time, and place to exercise the cultural behaviors that were previously observed. Certain behaviors that are mimicked include, but not limited to: mannerisms and posturing, verbal and nonverbal cues. This is relevant when it comes to advertising as these should be attributed in the ad, as a way to reflect the product and the culture it belongs to.

Now that the Lebanese employee has the knowledge and motivation it is time to put them to use during the meeting via their behavioral skills that are practiced through verbal and non-



verbal behaviors. Here the Lebanese employee will dress accordingly, show up on-time for the meeting, and greet professionally through a handshake.

*Combination of the capabilities.* Even though the capabilities are separate each are related or intertwined with one another. Metacognition and cognition are related in that the latter is a by-product of the former. Motivation and metacognition are related in that the higher the motivation the more likely a person is to engage in strategic thinking resulting in positive cultural adaptation. While metacognition and cognitive knowledge gained during cultural encounters sets a basis for behavioral actions (Early & Peterson, 2004). The stronger each capability and the more they intertwine the higher an individual's cultural intelligence will be. However, an individual's level or dimension of the capabilities in cultural intelligence may not correlate with each other all the time. Thus, cultural intelligence is made of up different dimensions all representing a degree of cultural intelligence. Therefore, metacognition cultural intelligence, cognitive cultural intelligence, motivational cultural intelligence and behavioral cultural intelligence are different capabilities that together form cultural intelligence (Ang, et al., 2007, p.337).

**Individuals and cultural intelligence.** All individuals possess cultural intelligence but at different degrees. There are many factors that play into how culturally intelligent a person is. For one, the more culturally exposed a person is the higher their cultural intelligence will be. Meaning the more time they are around individuals from a different culture, spend time on certain media channels like television or movies, in addition to internet use, the more exposed and educated he or she will become on cultures different than their own. It can be enhanced through experience, education and training. In today's society exposure to new global settings is far more advanced than years past. This can be attributed to technological advances and

globalization. In fact the study of cultural intelligence acknowledges the practical realities of globalization with a focus on a specific domain of intercultural settings (Ang, et al., 2007, p. 337), settings that are mediated through mediums such as the Internet.

To quickly recap, this study will assist in showing the impact that globalization may have on a person's cultural intelligence and how each of the four capabilities come into play. Cultural intelligence has now become more popular when examining an individual's behavior, how they react when placed or exposed to a new cultural setting but very little research has been done on an individual's exposure to global advertising and its effect on a person's purchasing decisions. In turn, this leads into a number of questions that will be answered via this study. As this study aims to a better understand the correlation of an individual's exposure to different cultural settings, their level of cultural intelligence, and their advertising preference and purchasing decision.



## **Theoretical Framework**

### **Theory of Semiotics**

Nowadays we are constantly surrounded by thousands upon thousands of signs and symbols. In fact our daily routines consist of symbolic actions such as, waving, shaking hands, talking on the phone, embracing, saying hello, etc. These are only a few examples that involve signs and symbols that are common in our own culture. In retrospect, culture consists of symbols and signs of expression that individuals, groups and societies use to make sense of their daily lives. In turn, we begin to think of our everyday activities as cultural signs and symbols; languages being a prime example and one that differentiates culture between cultures, as language is the part of culture that has the greatest and is the most obvious form of semiotic presence (Enfield, 2000; Gaines, 2010). We also live in a world where there are multiple cultures; and nowadays various cultures have begun to intertwine (Gaines, 2010). Through the theory of semiotics, we come to understand these various symbols and signs that make up a culture.

Previous research states that the theory of semiotics examines signs or system of signs concerned by the belief in which signification occurs; signification refers to the processes by which events, words, behaviors and objects carry meaning for the member of a given community and to the content they convey. In general, semiotics is the study of meaning-making of signs and symbols and how communication is possible, since all communication presumes shared codes (Barley, 1983; Enfield, 2000). Furthermore, “language and visual communication can both be used to realize the ‘same’ fundamental systems of meaning that constitute cultures” (Kress & van Leeuwen, 2006, p. 19). Therefore, through the study of semiotics, we can better understand different cultures and look further into cultural cues. This is vital for advertising companies as

they try to enter an international market they will have a better understanding on what will work to sell the product.

As previously mentioned, there has been a constant impact and spread of globalization, where new information such as social codes, verbal and non-verbal language, etc., have entered new markets, thus affecting a society's culture. For example, the Lebanese market is a prime example of this, as a good amount of the population is at least bilingual (if not trilingual), and open to the exposure of different cultures such as Western television shows and movies, among other things. In fact, new stories, myths and symbols are developed as the receiving cultures start to adapt them into their society (Barley S. R., 1983, p. 393). For this reason it is vital to understand how exposure to these different social codes, language, etc. is accepted into the new market; as such exposure and understanding will affect a person's cultural intelligence since he/she will be introduced to something new and unfamiliar from their own culture.

Due to technology and mass media it has become much easier for such information to spread; whether it is through international movies, internet use, international print media or through advertisements. Generally speaking, mass media produces much of our culture. All these tools contain some sort of social code, new language and for this reason, the theory of Semiotics comes into play. In this case the theory is used to sort out the sign and symbols used in the mass media and interpret what those systems may mean (Enfield, 2000; Gaines, 2010).

When it comes to advertising, the theory focuses on the "use of verbal, thematic, and visual signs in advertising to associate the brand with global, foreign, or local consumer culture" (Alden, Steenkamp, & Batra, 1999, p. 76). This is why advertising themes also serve as signs or symbols that are used to communicate meanings that are associated with a specific brand. In advertising, it is believed that using semiotics can make or break a brand since cultural codes can



influence if a cultural group likes or dislikes an advertisement. This is extremely important due to the growth of global consumers and the “emergence of global consumer cultures, and the shared sets of consumption-related symbols that are meaningful to the segment member” (Alden, Steenkamp, & Batra, 1999, p. 75). The United States has played a major role in the creation, learning, and sharing of sign and symbols via its mass media programming, resulting in global consumerism (Alden, Steenkamp, & Batra, 1999; Mick, 1986).

As a result of the emerging global consumer and the constant exposure to global advertising a person’s cultural intelligence may change. This is due to their exposure to global media, introducing them to new social codes, signs and symbols, which points back to globalization. Based on Western cultures that have gone global, examples may include shaking hands when greeting a business partner, wearing jeans in a casual setting, traffic signs and so forth. As a result of globalization and international advertisements products begin to have similar associations, whether it is negative or positive, throughout different cultures (Alden, Steenkamp, & Batra, 1999; Enfield, 2000). If the outcome is positive, advertising agencies will have succeeded and will have a strong consumer base, in turn will profit from it. However, there are many negative consequences that can arise when entering a new market. For one, if the language of the market is not carefully studied then miscommunication can occur where the message of the product is not made clear and a single harmless message can be interpreted as offensive (Chandler, 2004; Enfield, 2000). For example, according to Stamper (2012) a KFC ad was taken offensive, in the Middle East region, as the ad which was produced to inform customers of their new Halal menu, featured a woman (in black) with her hijab replaced with a chicken bucket and the caption “now 100% halal.” Another consequence of poor translation occurred with the American vegetable brand “Green Giant.” At the time, the company had the campaign of “Jolly



Green Giant” in effect, however it was literally translated into Arabic as “Intimidating Green Orge” which was the complete opposite of the message that Green Giant wanted to get across (White, 2009) ,

Therefore, through globalization and our world becoming a global village new media has allowed us to have shared codes and language between cultural groups and for this reason studying semiotics in relation to cultural intelligence becomes vital in this study. Exposure to these shared codes and language leads an individual to form an understanding and common knowledge on how to act when exposed to a new cultural setting, hence increasing their cultural intelligence. The more aware a person is and understands culturally different social cues, signs, and symbols the more likely their cultural intelligence will be affected.

### **Diffusion of Innovation**

In addition to studying social codes, language and other cultural practices in a society, it is just as important to study how these new traits spread and at what rate within a culture. By studying these mechanisms, through the use of the diffusion of innovations theory, we will gain a better understanding on what affects a person’s cultural intelligence, their understanding of global advertisements and their purchasing decision.

It is understood that diffusion of innovations is not only a theory but a meta-theory made up of many smaller theories by different researchers consisting from businesses and communication backgrounds. The theory was first developed by Ryan and Gross at Iowa State University in 1943, and since then other theorist have continued studies on diffusion with the most extensive work by Everett Rogers (Bryant, 2011). The theory continues to develop due to globalization and technological advancements.

Furthermore, diffusion of innovations is the process of spreading any kind of new technical device, idea or useful information into a new market. It refers to the spread of ideas from one society to another or from a focus or institution within a society to other parts of that society (Richardson, MulderBorgerhdf, & Vila, 2001, p. 350). The theory predicts that media, as well as interpersonal contacts, provide information and influence opinion and judgment. Diffusion is the process by which an innovation is communicated through certain channels over time among members of a society (Mikl-Horke, 2004). Innovation is an idea, practice, or object that is perceived to be new by an individual or other unit of adoption (Mikl-Horke, 2004, p. 104). When it comes to global advertisements entering a new market, this theory becomes vital in understanding the rate at which the new signs and cues are spread and then adapted. In turn this may play a role in an individual's cultural intelligence and whether or not the product will be purchased. Meaning those who spend more time on innovated communication channels, like social media, are more likely exposed to different cultural settings. Through this exposure they receive new information faster resulting in higher cultural intelligence.

The primary source of the theory is believed to be personal communication. In fact, it has been reported that imitation is the driving factor, resulting in cultural change and development, leading into new inventions that is diffused from these factors (Richardson, MulderBorgerhdf, & Vila, 2001). In reference to advertising, word-of-mouth is more beneficial in spreading information than any other tool. Once these new developments are caught on they begin to spread into new societies via mass media which plays a secondary role in influencing diffusion (McQuail, 2008; Mikl-Horke, 2004). At this point a person's cultural intelligence may be affected which may result in favoring the global advertisement and purchasing the product. For example, if a certain individual purchases a new professional camera and is pleased with the



outcome, they will begin to speak highly of the product to family and friends, hence word-of-mouth. More people will find the source trustworthy and share the information causing it to go viral and providing a positive image for the brand.

Again, due to technology advances, globalization is more prominent than ever; because of the assimilation of new cultural cues and symbols, a shift in cultures occurs allowing for new cultural codes, signs, symbol, and language to occur – resulting in new cultural practices (Mikl-Horke, 2004, p. 103 & 105). These practices are caught on and spread through the mass media and with the help of technology the spread of information from culture to culture is faster than ever. In turn this redirects a way of thinking and acting towards change, which effects an individual's cultural intelligence and understanding of a global message. In fact, diffusion of innovations permits culture to evolve more rapidly than would be possible if each society had to evolve their own innovations (Richardson, MulderBorgerhdf, & Vila, 2001, p. 363). The means provided through this theory allows for a foundation or some sort of template where different societies are able to apply what they see to their own culture; thus resulting in faster assimilation as opposed to creating something new which make take more time to catch on.

When it comes to advertising a global product, diffusion of innovations helps advertisers understand the rate at which the new information is transmitted into a society, through which channel, and at what point it is adapted by individuals. Entering into a new market is not easy, and previous studies show that adopting innovations is by no means a simple process (Richardson, MulderBorgerhdf, & Vila, 2001, p. 363). For this reason it is vital that social systems are evaluated, while also understanding how and why new technology and ideas spread through different cultures. This in turn will demonstrate whether or not cultural intelligence is impacted and the role it plays in an individual's purchasing decision.



### **Research Questions and Hypotheses**

In retrospect to the above-mentioned and to gain a clearer perspective on the correlation between an individual's cultural intelligence and advertising preference, the following research questions and hypotheses have been formed.

#### **Research Questions:**

RQ1: Would Lebanese people be more likely to purchase a product if exposed to global advertisement of that product?

RQ2: How does advertisement (e.g., international vs. local) and product type (e.g., Pepsi vs. Unica) interact to impact participants (a) preference to global product; (b) purchasing intent; (c) symbolic awareness; and (d) cultural intelligence.

#### **Hypothesis:**

H1: The higher the CQ of a Lebanese person the more likely they will prefer global ads and global products.

H2: Participants who are more observant and receptive to new cultural cues, signs and symbols, the higher their CQ will be.

H3: Participants, able to adapt to new technical advancements, (a) will be more culturally intelligent, (b) will choose the global ad over the local advertisement.

H4: The higher a person's CQ the higher their self-efficacy will be.

### Methodology

This study was a 2 (local ad vs. global) X 2 (global product vs. local product) between-subjects experiment. Participants were selected at random in each of the conditions. An immediate posttest was administered after participants viewed their assigned condition stimuli.

*Figure 1: Study Design*

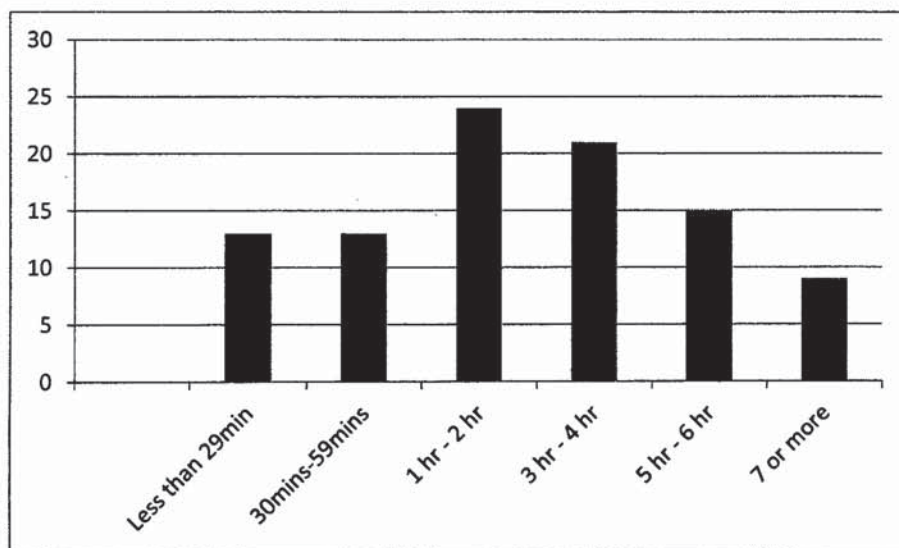
Conditions	Arabic Advertisement	English Advertisement
<b>International Product</b>	Pepsi in Arabic	Pepsi in English
<b>Local Product</b>	Unica in Arabic	Unica in English

### Participants

Faculty, staff and students from Notre Dame University – Louazie were recruited via e-mail, in addition to randomly selected Lebanese citizens. At least 30 participants were recruited for each condition to fulfill the design requirement totaling 130 participants. According to the central limit theorem “given certain conditions, the mean of a sufficiently larger number of independent random variables, each with a finite mean and variance, will be normally distributed” (Breebaart, 2012, p. 57) when the original sample size is larger than 30 (Breebaart, 2012, Field, 2012). However due to factors such as outliers and maturation in response there was an overall total of 100 participants. More specifically there were 29 participants who saw the Pepsi international ad, 16 who saw the Unica international ad, 28 that witnessed the Pepsi local ad, and 27 participants for Unica local ad.

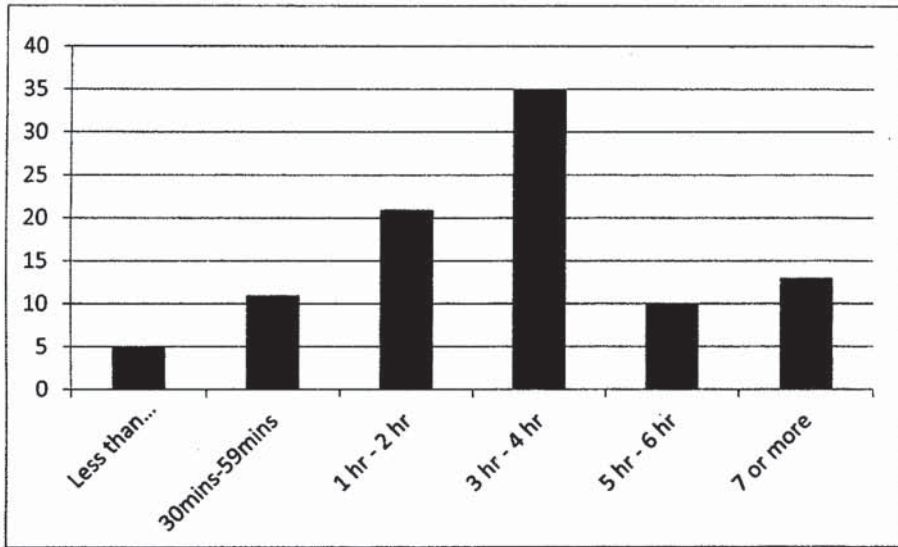
There was a good representation of both genders with 55% (55) of the participants were females and 39% (39) males (see Appendix B for all demographical charts), while 6% (6) participants did not answer such demographic questions. There was also a strong age representation. 37% (35) of the participants were between the age of 19-23, 31% (30) between the age of 24-29, 16% (15) of the participants were between 30-34, 7% (7) between 35-39, and 9% (9) who were between the ages of 41-48. Results also showed that 3% (3) participants finished high school, 26% (24) were currently BA/BS students, 34% (32) were BA/BS graduates, 15% (14) were currently MA/MS students, 21% (20) were MA/MS graduates, and 1% (1) had their PHD. As for media use the results showed that the majority of participants, 47% (45), were active media users between 1-4 hours daily. 59% (56) use the smartphones between 1-4 hours daily and 55 % (52) are online daily between 1-4 hours. See graphs below for media usage by hours.

**Media Use on Smartphones, Internet, and Social Media**

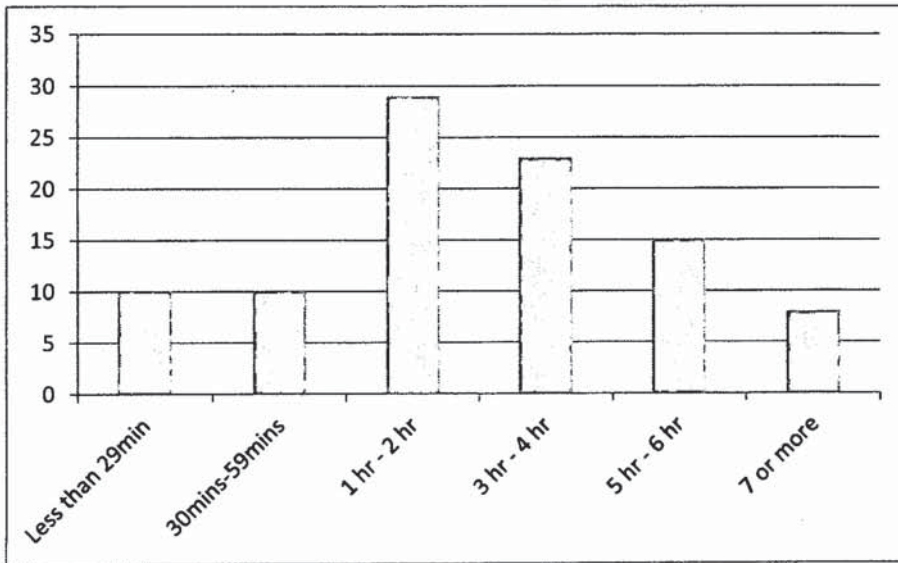




**Time Spent on Smartphones:**



**Time Spent on Social Media:**



The results indicated that when it came to language preference when watching T.V. participants preferred the English language with a total of 71 % ( 71), while 21% (21) answered Arabic and 3% (3) French, with 5% (5) not answering the question. As for movies, again the

majority preferred English with a total of 89% (89), Arabic 4% (4) and French 1% (1), with 6% (6) participants did not answer the question. As for primary language spoken during university or post high school, it was reported that 29% (29) answered Arabic, 57% (57) answered English and 8% (8) answered French, with 6% (6) participants not answering the question. Overall, these statistics combined indicate that English language is the preferred language of choice when it comes to daily tasks and exposure. As previously stated the English language makes up 85% of media outlets.

### **Procedure**

Participants were chosen at random and received a link via e-mail. Once they clicked on the link a consent form appeared informing them of their rights as a research participant and that their answers would be anonymous and responses confidential. Upon agreeing they were directed to the questionnaire where they first viewed one of the four assigned stimuli (local ad vs. global). After ad exposure, participants started filling out posttest questionnaire administered via Qualtrics which included a manipulation check. Both the experiment and posttest were completed via the same link. The total participation time was about 30 minutes.

### **Stimulus Material**

**Pepsi Cola.** Pepsi Cola is a widely used product that is recognized worldwide, holding a highly establish international status. For this reason a local and global ad, for Pepsi, were chosen for the study. Both ads were in regards to a Pepsi campaign “Live For Now.”

***Pepsi local ad.*** The local ad, which was presented throughout Lebanon, depicts the “Live For Now” campaign. The ad was very lively and colorful reflecting a “live for now moment.” The ad was divided into six boxes and features the Pepsi can in the middle. The ad also featured the phrase “Live for Now” but for the purpose of the study was translated and written in Arabic,

“Eish La7za” in Arabic writing. Moreover the ad featured a famous Lebanese singer and popular figure, Elissa, in a section of the background. The background also included a young man, who looks Lebanese, having fun with friends while at a concert, body surfing.

**Pepsi global ad.** The global ad, which was presented throughout the United States, depicts the “Live For Now” campaign as well. Similar to the local ad, this ad was very colorful and lively, and divided into boxes, with the Pepsi can presented in the center top box. However, this ad is more targeted to the American population, as it featured the celebrity Jennifer Lopez, who was an endorser of the product. Also, “Live For Now” is spelled out in the boxes but “NOW” is featured in one big box on the bottom; but similar to the local ad the “O” is the logo of Pepsi. Just like the local ad, this one seems to be taking place at a concert as well.

**Gandour Unica.** Gandour Unica a local Lebanese chocolate covered wafer bar that is popular within the Lebanese region. The Gandour Company prides itself of its Lebanese roots and local connection; for this reason a local and global ad for Unica were chosen for this study. Both ads were in regards to the Unica ad “Eish Ousitna” or “Living the Moment.”

**Unica local ad.** The local ad, which was presented throughout Lebanon, depicts a young Lebanese couple, taking a “Selfie” with an “old” camera, while the girl holds the chocolate bar and is leaning on the male. The background is a bit blurry but showcases a sea view with the lighting of the picture presenting a nostalgic feel. The ad captions “Eish Oursitna” written in the native language of Arabic. Also reflecting the Lebanese culture is the couple in the ad, who clearly portray the Lebanese attributes of the tan skinned and brunette hair color.

**Unica global ad.** The global ad is similar to the local one but with modifications to resemble a more global/Western advertisement. For one, the young couple in the ad is now blond while the male is wearing a baseball cap (which is common in the Western culture). The caption



has also been written and translated into English stating the same message but written as “Living the Moment.” Similar to the local ad this ad has the background of the sea view while the lighting gives off a nostalgic feel.

**Measures** (See Appendix A for questionnaire)

**Manipulation Check.** Manipulation check questions were posed and consisted of knowledge based questions about the ad, whether or not participants recognized the assigned advertisement as a local or global and what indicates the ad as such.

**Purchasing.** Purchasing referred to buying a product, more specifically in this study the intent to buy Pepsi or Unica after being exposed to the advertisement. Purchasing was measured using a Likert-type scale from "1 = Strongly Disagree" to "6 = Strongly Agree" and included fifteen items such as "After viewing this ad, I would more than likely purchase the product," and "After viewing this ad, I would be more likely to purchase this product had it been a global ad." However, five items were recoded as a way to make sure that each statement was answered consciously. Results showed ( $\alpha .768, M = 4.059, SD = .625$ ).

**Preference.** While getting a better understanding on the participants preference the Likert-type scale was used ranging from “1 = Strongly Disagree” to “6 = Strongly Agree. A total of 5 statements were used. Such statements included “I like that this ad included cultural elements familiar to me” and “I like that this ad is in English/Arabic.” Results showed ( $\alpha .745, M = 4.427, SD = .906$ ).

**Attitude:** To understand the participant’s attitude about the product and cultural aspects, a total of six statements were addressed. Statements included “I would select Lebanese products because they are consistent with my attitudes” and “I would select international products because

they conform with my attitudes.” The Likert-type scale was once again used with results showing that ( $\alpha .737, M=3.287, SD=.766$ ).

**Cultural Intelligence.** Cultural intelligence was measured using a Likert-type scale from “1 = Strongly Disagree” to “6 = Strongly Agree. All items were adapted from Van Dyne and Ang’s cultural intelligence scale (2005), and made up the composite scale. The four components, metacognitive CQ, cognitive CQ, motivational CQ, and behavioral CQ, combined totaled 25 items as a final measure of CQ ( $\alpha .880, M=4.19, SD=.522$ ).

**Metacognitive CQ.** Five items were compiled; items include but not limited to “I am conscious of the cultural knowledge I use when interacting with people from a different cultural background” and “I adjust my cultural knowledge as I interact with people from a cultural that is unfamiliar to me.” Results showed ( $\alpha =.836, M=4.438, SD=.831$ ).

**Cognitive CQ.** Nine items were used to measure the cognitive component. Examples of the items were “I know the legal and economic systems of other cultures” and “I know the arts and crafts of other cultures” ( $\alpha =.857, M=3.731, SD=.652$ ).

**Motivational CQ.** Six items made up the composite scale for motivational CQ; some of these items were “I enjoy interacting with people from different cultures” and “I enjoy living in cultures that are unfamiliar to me” ( $\alpha =.864, M=4.816, SD=.740$ ).

**Behavioral CQ.** Five items were used for this component; for example, “I vary the rate of my speaking when a cross-cultural situation requires it” and “I change my verbal behavior (e.g., accent, tone) when a cross-cultural interaction requires it.” Results indicated ( $\alpha =.816, M=3.989, SD=.857$ ).

**Self-efficacy.** Specific to this study, self-efficacy pertains to a person’s perceived confidence that he/she can interact and understand global and local occurrences. Self-efficacy

was measured using a Likert-type scale "1 = not at all confident," to "6 = extremely confident." The five items were established based off of Bandura's (2006) efficacy building guide. Examples of the items for self-efficacy are "I am confident in my ability to get along easily with people from a different culture," and "I am confident in my ability to handle whatever cultural situation I am placed in ( $\alpha = .934, M = 4.668, SD = .850$ ).

**Semiotics.** This variable refers to cues and symbols that define meaning. Semiotics was measured using Likert-type scale from "1 = Strongly Disagree" to "6 = Strongly Agree." Examples of the four items that made up the composite scale are "I am knowledgeable about different cultures social cues" "I am easily able to pick-up nonverbal signs and cues from a different culture" ( $\alpha = .752, M = 4.252, SD = .711$ ).

**Media use.** Media use signifies Internet, smartphone, TV and movies use on a daily basis. It was measured by participants answering the amount of time they spend utilizing the media: "0 minutes" "30-59 minutes" "1 hour to 2 hours" "3 hours to 4 hours" "5 hours to 6 hours" and "7 hours or more" and preference when it comes to television and movies and their language choice ( $\alpha = .763, M = 3.855, SD = .1.033$ ).

### Data Analysis

For each variable Univariate outliers was assessed for all the cases. After testing for outliers, 30 participants were removed from the study. Examination of these outliers showed that participants chose the same answer for all the items listed and/or didn't answer the majority of the items. This indicates a lack of reading and comprehension of the questions asked. The total participant count for the results below are based on  $N = 100$ .

Chi-square results for gender, education, and age indicated that the distribution of these factors by condition was not significantly different, meaning the conditions were successfully



randomly assigned (Gender:  $\chi^2 = (3) = 7.319, p < .05$ ; Education:  $\chi^2 = (15) = 21.911, p < .05$ ; Age:  $\chi^2 = (15) = 22.173, p < .05$ ).

Linear regression analysis was used to examine the relationship between CQ and preference to the ad and product (H1), in addition to the association between semiotics and CQ (H2), diffusion of innovation and CQ (H3a), diffusion of innovation and ad preference (H3b), and self-efficacy and CQ (H4). ANOVA was used to examine if there was a main effect or interaction among advertisement and product type, whether it would impact the effect on the preference, purchase intent, symbolic awareness, and cultural intelligence (RQ2). While an independent t-tests were used to examine if Lebanese people exposed to a global ad would purchase the product advertised (RQ1).

## Results

(See Appendix C and D for Tables and Graphs)

### Manipulation Check

Manipulation check was tested to know whether participants were able to differentiate among the products (e.g., international vs. local) and type of advertisement (international vs. local). Results indicated that participants were able to differentiate and did so in an accurate manner. Condition 1 (Pepsi international advertisement) 96.6% (28) identified the product as international, whereas only 3.4% (1) did not. Condition 2 (Unica international advertisement) 6.2% (1) identified the product as international and 93.8% (15) as local. Condition 3 (Pepsi local advertisement) 96.4% (27) identified the product as international and 3.6% (1) as local. Condition 4 (Unica local advertisement) 7.4% (2) identified this product as international and 92.6% (25) identified it as local. Chi-square analysis indicated that the groups are significantly different ( $\chi^2(3) = 80.627, p < .001$ ). This suggests that the participants identified the product type by the advertisement they were exposed to. Thus, further assessment can be carried out since the manipulation check proved to be successful.

### Research Questions and Hypotheses

**RQ1:** This research question looked at whether Lebanese people exposed to a global ad would purchase the product advertised. Welch-Satterwaite t-test indicated that there is a significant difference for purchasing intentions (*Welch t* (53.287) = 2.137,  $p < .05$ ); such that people exposed to the global advertisement of the local versus the international product are more likely to purchase the internationally perceived product ( $M = 4.415, SD = .683$ ) than the local product ( $M = 3.788, SD = .565$ ).

**RQ2:** Univariate analysis of variance (ANOVA) was conducted to examine if the factors (e.g., advertisement vs. product) would interact to cause an effect on the dependent variables (i.e., preference, purchase intent, symbolic awareness, and cultural intelligence). Results indicated that there were significant interactions for all the variables tested (*see Appendix C for Table on values, means and standard deviations*). The interactions indicated that participants exposed to the global product tend to favor the international advertisement, and likewise when exposed to the local product participants favor the local advertisement for the variables assessed below for mean differences and standard deviations.

**H1: Cultural Intelligence and Preference.** Hypothesis 1 was supported. Linear regression was used to assess the relationship between cultural intelligence and preference to the ad and product. Results indicated there was a significant positive association between the variables ( $\beta = .490$ ,  $SE = .170$ ,  $r = .282$ ,  $p < .01$ ). The model indicates that cultural intelligence accounts for 8% of the variance.

**H2: Semiotics and Cultural Intelligence.** Hypothesis 2 was supported. Linear regression was used to examine the relationship between signs, symbols and cultural intelligence. The results showed that there was a significant positive association between the variables ( $\beta = .401$ ,  $SE = .063$ ,  $r = .550$ ,  $p < .001$ ) with semiotics making up 30% of the variance. This indicates that people who have a grasp of different signs and symbols are more likely to also have higher levels of cultural intelligence.

**H3a: Diffusion of Innovation and Cultural Intelligence.** Hypothesis 3a was supported. Linear regression was used to test whether those who adapt to new media technology are more likely to be more culturally intelligent. Results show that media use made up 4.2% of the



variance, with a positive association between the variables ( $\beta = .103$ ,  $SE = .051$ ,  $r = .206$ ,  $p < .001$ ).

**H3b: Diffusion of Innovation and Ad preference.** Hypothesis 3b was not supported. In regards to media use and an individual's ad preference results showed, based of linear regression, that there was no significant association between the variables ( $\beta = .099$ ,  $SE = .090$ ,  $r = .114$ ,  $p > .271$ ).

**H4: Cultural Intelligence and Self Efficacy.** Hypothesis 4 was supported. Linear regression was used to assess the relationship between a person's cultural intelligence and self-efficacy (confidence in cultural situations). Results specified there was a significant positive association between the variables ( $\beta = .862$ ,  $SE = .145$ ,  $r = .523$ ,  $p < .001$ ), such that the more CQ a participant is the higher their confidence in their own ability to be able to interact in any given cultural situation. The model indicates that cultural intelligence accounts for 27.4% of the variance.

### Discussion

The focus of this study was to examine globalization and its impact on society and relation to cultural intelligence, in addition to exposure to a global and/or local advertisement and purchasing behavior. The aim was to explore if there was correlations and effects and interactions among these factors in the Lebanese community, while also taking into consideration symbolic awareness and media adaption and use. Not only did this study rely on previous research, but also primary research, through an experiment and a posttest.

An experiment was used for this study as it geared to look at the relationship of an individual's cultural intelligence and the effect it played on a person's ad preference and purchasing decision. Throughout the study results showed a cause-effect relationship between type of advertisement and product to the preferences and purchase intentions, all the while showing associations regarding semiotics and cultural intelligence.

Furthermore, the posttest served to give more insight on participants' cultural intelligence levels and implications. Due to the fact that the concept was developed to gain a better understanding on why each individual reacts differently when placed in a cross-cultural setting (Ang, et al.,2007). Questions specifically related to cultural intelligence were adapted from Van Dyne and Ang's cultural intelligence scale (2005) further adding more depth to the results. The posttest also featured questions pertaining to symbolic awareness and how exposure to specific signs and symbols, along with media use and media adaptation play a role in an individual's preference and purchasing decision when exposed to specific advertisements.

In general results indicated that when it came to the international product (Pepsi), the ad was favored more when it stayed to true its origin and appeared global. The product itself has a strong enough reputation that the advertisement, regardless if it was perceived local or international, was just as appealing; therefore, it still received positive results when altered to

look local. However, when it came to the local product (Unica), results showed that it was better to keep advertisements to local standards as opposed to international standards. Participants seemed to respond more to the ad when it remained in its local feel as it perhaps invokes positive memories from the culture and/or it is true to its locality. For this reason the importance of semiotics comes into play as it “focuses our attention on how people generate meanings--in their use of language, in their behavior (body language, dress, facial expression, and so on), and in creative texts of all kinds” (Berger, 2015). People differentiate what is local from what is global and seemingly associate preference to purchase in relation to the origin of the product based on the different communication elements that are familiar to that specific origin

### **Preferences and Purchase Intentions**

**Summary of the results.** Results indicated that when it came to the local product (Unica) advertised locally preference for the ad was significantly higher than if the product was advertised internationally. Results also showed that intention for purchasing the local product with a global advertisement were much lower than if it were to be advertised locally.

Results showed that participant’s preference towards the international product (Pepsi) was higher when advertised globally and lower when it was altered to look more like a local ad. In regards to purchasing, results was steady meaning that regardless of the ad (local vs. global) intent for purchase was close and the look of the ad was not a main factor.

**Interpretation of the results.** Participants who were exposed to the local product (Unica) ad as a local advertisement were more receptive to this ad as it is familiar to them. They were perhaps were comfortable looking at this ad as it made sense to what they have been exposed to their whole life and their sense of belonging. It has been previously reported and studies “suggest that a person has a psychological investment in their local setting” (Toland Firth



& Mueller, 2010; Westjohn, Singh, & Magnusson, 2012). Therefore when the ad was altered to look more global an automatic discomfort was made in the mind of the participant due to its unfamiliarity. In turn, this reception played a role in the participant's preference towards the ad thus effecting their purchasing decision.

Due to the strong bond one form with a local product and preference when it is advertised locally there is no need to alter the ad to look more global. In fact, the results indicate that the more local the ad looked, regarding the local product, the more it was favored and well received. For this reason it is understood that just because society as a whole is globalized and different outlets are going more global certain things should still remain local and true to one's own culture.

The same can be said in regards to the international product (Pepsi). Due to its international reputation and image when the product was advertised globally it was preferred more than when it was altered to look local. This can be due again to the familiarity feel of the product being international and associating it was global standards. However, the preference of the ad was not a factor when it came to purchase as the reputation on its own was enough incentive for intent to purchase.

### **Semiotics and CQ**

**Summary of the results.** Symbolic awareness was also a factor that was taken into consideration for the study. In general, results indicated that the closer the ad reflected the origin of the product, such as the writing and overall look, the more it was accepted by the participant. This is especially true for the local product (Unica) as the more local the ad looked, the more it was favored. The same can be said for the international product (Pepsi).

In regards to cultural intelligence results showed that participants with high cultural intelligence were in favor for the both the global ad of the local (Unica) and international (Pepsi) product, while also favoring the local ad for the local product (Unica). However, those with a lower cultural intelligence were receptive to the international (Pepsi) product altered to look more local in the ad.

**Interpretation of the results.** In regards to semiotics and cultural intelligence results indicated that there was more of an association or an influence between the two factors. As previously noted that the more the ad reflected the origin of the product the more it was favored; this shows that even with a high cultural intelligence and high global perspective individuals still have a favoritism towards items that reflect their own culture. In fact, having a high cultural intelligence does not get rid of our local understanding but rather allows individuals to be open to outside information, while still favoring one's own local identity and culture. In fact, this is where the association between the two comes into play; individuals are open to a global perspective but do not pass off local products as a thing of the past or belittle them.

Therefore, we get a clear understanding that in some cases, regardless the level of an individual's cultural intelligence, keeping advertisements of products close to its origin is preferred. Generally speaking it is better for local products to reflect local attributes in their ads. This does not undermined the concept of cultural intelligence, but rather reflects the fact that in advertising, these signs and symbols are used to appeal to the audience where they will feel a sense of belonging (Zhang & Khare, 2009, p. 525). Participants are aware of the different signs and symbols and can recognize where they belong with the type of advertisement.

### **CQ and Self-Efficacy**

**Summary of results.** Results have indicated that having a higher cultural intelligence leads to or helps boost self-confidence. Therefore, there is a clear correlation between cultural intelligence and self-efficacy. This is notably true when an individual is placed in situations that are culturally diverse to them and require more of an effort to feel as if they fit in or comfortable. By adapting to the environment a sense of accomplishment is achieved, resulting in a higher confidence level.

This factor is important in today's society as we become more globalized and familiar with rituals and rules from all over the world. Through globalization not only has our world become smaller, but we are exposed to diverse settings that are unfamiliar to us and may place us in situations that we are not entirely familiar with or comfortable with. At this point individuals rely on their cultural intelligence to kick into gear and utilize their instincts and knowledge acquired through various channels to interact in a diverse setting.

**Summary of interpretation.** As a society we are constantly reminded and surrounded by the notion of our world getting smaller because of globalization and therefore it has become almost impossible to avoid exposure into a diverse setting. Through constant exposure to media outlets we become somewhat familiar with cultural diverse settings and gain some sort of knowledge and understanding. Due to this new found knowledge, when placed in such settings we are able to adapt because we have acquired a higher cultural intelligence. By being able to adapt quickly individuals feel more confident and proud of their self, leading to a high self-efficacy. This is due to the fact that by successfully accomplishing something, like fitting in a new cultural setting, individuals want a reward or gratification. In this scenario the result is high self-confidence. It is in our human nature to seek out the gratification. With a high self-efficacy,



individuals have the confidence to communicate and interact in diverse setting that not only narrow gaps between different cultures but pave the way for cultural interactions and create a global understanding between one another.

In summary, when first exposed into a cultural diverse setting a person's cultural intelligence is channeled and goes into effect. However, it is a person's self-efficacy that determines how far they will go. In fact, self-efficacy "determines how you think, feel, and behave in cultural situations and is provides the belief in the ability to work through cultural issues" (Moua, 2015).

### **Diffusion of Innovations**

**Summary of results.** Following the study, results showed there was no positive relationship between diffusion of innovation and advertising preference. Although results were higher when the advertisement was for international product (Pepsi), results were low for the local product (Unica). In the case of this study, diffusion on innovation was not vital when it came to advertising preference as the products used are already recognized by the market. For this reason looking into how fast the information was spread within a society or adapted was not efficient, but rather looking into how much exposure a product gets in any given media and how much we use or spend time in any particular medium is more prominent.

**Interpretation of results.** A contributing factor as to why diffusion of innovation did not play out as planned could be that both products used in this study are well known in the Lebanese market and are recognized by just stating their brand name out loud. Therefore, spreading new ideas of the product through advertisement within the Lebanese market may have been dismissed as these products are already popular and successful and are not entering a new market. The market may receive new information about the product but that will have little effect

if customers already have a preconceived notion. Therefore, this theory may be helpful in understanding the rate the new information traveled but it may not change the opinion of the individual.

However, what was determined is that between the two products the international product (Pepsi) receives more exposure through media channels, than the local product (Unica), thus leading to higher results. Therefore, regardless where or how a product is advertised there will be some association made between an individual and the product that receives more exposure and recognition. For this reason the theory of diffusion of innovation is not applicable since the theory refers to the spread of ideas from one society to another (Richardson, MulderBorgerhdf, & Vila, 2001, p. 350) and adapting to new technological advances. More specifically, in this study adapting pertains more towards the correlation of the media and time or usage, as opposed to altering a life style to fit in the new media.

In this case, it not how fast a participant adapts to new technology or how fast information is spread within society, but rather how much time an individual is exposed to any type of media. Once again, results were higher for the international product (Pepsi) regardless if it was advertised locally or globally because it is widely more advertised, in any medium, than the local product (Unica) which received lower results.

Although the spread of new ideas from society to society and adapting to new advancements is vital these days, when it comes to advertising preferences, especially with popular products, exposure in the media, no matter the type, is more important. Diffusion of innovation is vital when advertisers are entering a new market or advertising a new product.

Pertaining to this study, it should be noted that the theory in itself relates more towards Westernized countries and some of its factors do not apply in Lebanon. For one, Lebanon is a

developing country; therefore new advancements in technology are not introduced here but rather in the United States or Europe first. It is low on the list when receiving new advancements and this can be partly due to its economic system and other turbulent factors that are currently taking place within the country. For this reason, the theory should be adjusted to fit this or similar regions.



### **Suggestions for Future Research**

In addition to the results of the study and based on personal assumption about cultural factors, which were not specifically tested in the questionnaire, the study implies how important it is to grasp and understand how cultural aspects play a role in a person's everyday life. Little things that an individual is exposed to on a daily basis can alter and impact a person's cultural intelligence. For example, people's understanding of different signs and symbols also impact a person's cultural intelligence. Purchasing preferences are then effected by people perception of differences in ad type and product type (e.g., local or global). For future research the following is suggested.

#### **Background Factors**

For future research it would be vital to look into other aspects that influence an individual's cultural rituals and views other than just media and symbolic awareness. For one, looking into an individual's household upbringing would be a good place to pick up the study. Factors such as what products a family member uses or dislikes can alter an individual's perceptive due to a preconceived notion. This could helpful for those who are in the field of cross cultural studies and advertising.

#### **International versus Local Products**

The international (Pepsi) and local (Unica) product used for this study are both popular products in the region that are recognized just by saying their name. For future research it would be interesting to look into less popular products and products that are more of a necessity than for enjoyment or treats. Such items may include laundry detergent or other household products. This would be helpful for advertising agencies that are trying to sell a new product to the market.

### **International versus Local Advertisements**

By using lesser known products the way the advertisement is positioned would also be interesting to look into, as it would take more to sell the product than its' name. Also moving away from print ad to TV advertisements would be another way to contribute to the study.

### **Media and Culture**

Given the fact that media is a big part of our culture it would still be beneficial to look more into the relationship between media use and culture. Although Lebanon is a small country it is diverse when it comes to cultural rituals within groups. Therefore, looking into sub-cultures in Lebanon, their media use, and cultural intelligence would be interesting to look at. This would be of interest for cross-cultural experts as well as media practitioners.

### **Limitations**

The scope of this study did reveal a number of limitations. However, each limitation adds more depth to the study as it sets an incentive for future developments that can be added towards new research and findings, while also contributing different perspectives and insight.

One particular limitation deals with geography and how the majority of the participants was stationed in the Beirut region of Lebanon and did not expand out to the Southern or Northern borders of the country. This was mainly due to the fact that faculty, staff and students of Notre Dame University-Louaize were asked to participate in the study, in addition to employees who worked in the Beirut region. On the other hand, Beirut is a diverse region populated with people from different backgrounds who helped diversify the results of the study.

On the same line, a second limitation pertains to the participants and the sample size. Results indicated that out of the 130 people who received the link, only 100 went through and answered the questions, with six participants skipping some of the questions. Although the sample size

may have been small it is justified by the Central Limit Theorem, which states that any sample size above 30 is acceptable for a normal distribution and interpretation of statistical data.

Religious affiliation was not associated with the experiment or posttest, which in Lebanon is a major attribute. It could play a role in a person's cultural intelligence, as through their religious affiliation an individual is exposed to numerous signs, symbols, rituals, beliefs, and thus their purchasing decision when looking at an ad. In turn this is the third limitation.

The fourth limitation is in regards to the setting of the study. Since the study was a quasi-experiment a more controlled environment could have contributed to stronger results. An expert may have been on-site to monitor and decrease the chance of outside influences, all the while clarifying any confusion the participant may have had that resulted in missed questions. On the other hand, the way the study was sent out allowed participants to freely answer on their own time and not feel pressure from any monitors.

Finally the study did not provide a clear insight when it came to adaptation of media and media use and its relationship to the participant's preference when it came to local or global ads. Thus, the diffusion of innovation theory was falsified in relation to cultural intelligence and ad preference, signaling that another theory or concept could better explain the phenomenon of media adaptation and use.

Each limitation listed shows the magnitude of the topic and how vital it has become to learn more about through various channels that can only contribute more knowledge and information to this study.

### **Conclusion**

Overall this study was developed to gain a better understanding of globalization and its impact on cultural intelligence in the Lebanese market through an experiment and the correlation it has between advertisement preference and purchasing decision. The study was targeted



towards the Lebanese market as no previous research had been conducted within this market, or on this subject matter. Referring back, it was clearly stated the impact that globalization has had in our society and how our world is getting smaller by the minute through exposure of new signs and symbols and adaptation of new technology. Media channels such as TV/movies, radio, and the internet, which has opened the door for social media and greater access between societies, were all taken into consideration and were proven to be contributing factors towards an individual's cultural intelligence in some way or another.

This study contributed to knowledge in that it provided a solid foundation and a better understanding of cultural intelligence in the Lebanese market. Following the results a cause and effect relationship was demonstrated in regards to ad preference and purchasing decision, while also seeing an influence or association between symbolic awareness and cultural intelligence. Further adding what advertisers should look into when marketing a local or international product.

Not only did the study start a foundation for future research and adaptations, as there are a number of different areas that can be looked into, but it provided greater insight for advertising agencies and cross-cultural experts. For one, advertising agencies now have a better perspective on how to market certain products and when to adapt to local advertisement or global. While also understanding that in the Lebanese market advertising globally is perfectly acceptable but when it comes to a local product, keeping the advertisement local is more productive. Cross-cultural experts will also benefit from this study as it provides a foundation on cultural intelligence, in the Lebanese community, and what are contributing factors that can be taken into account.

In conclusion, as individuals we are all exposed to a number of factors that make up who we are and how we interpret the world. Due to globalization we are now exposed to new information, signs, symbols and more from all over the world, which correlate to our own

cultural intelligence and our preference when it comes to certain items, like advertisement. As our world becomes smaller, we as a society are learning to adapt and cope to new ideas, however what remains clear is that we still hold on to certain cultural beliefs and rituals that are important to us and apply in our consumer behaviors.

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**Appendix A**

Posttest Questionnaire

This questionnaire is a part of an academic research project about the correlations between a person's cultural knowledge and their advertising preference. All the information you provide will be confidential and used for research purposes only. Your responses are anonymous and will be used for the purpose of this study only. It will take around 20-30 minutes for you to complete this questionnaire. We would greatly appreciate your time in helping with this research project.

Thank you!

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Please take the time to look at the following advertisement.





**Manipulation Check:**

The ad that you just saw is an international advertisement. Yes or No

The ad that you just saw is a Lebanese add. Yes or No

**Please choose only one number that best rates your level of agreement or disagreement from each of the following items:**

(Scale: 1: strongly disagree, 2: disagree, 3: somewhat disagree, 4: somewhat agree, 5: agree, 6: strongly agree)

**Purchasing:**

1. After viewing the ad I am craving this product.
2. After viewing this ad I want to buy this product.
3. I would talk about the product with family and friends.
4. I do not like the product. RECODED
5. I find the ad offensive and refuse to buy the product. RECODED
6. This product invokes positive memories from my childhood.
7. The product is global representing the Western (USA) culture.
8. Although the product is global it should be altered to reflect the Lebanese culture. RECODED
9. I recognize the celebrity in the ad.
10. The outfits the people in the ad are wearing reflect my culture.
11. I see myself attending a fun party like in the ad.
12. The pictures in the ad reflect my cultural practices.
13. I like the ad because the text is in English.
14. I would not purchase this product. RECODED
15. I prefer to purchase local Lebanese products to global products. RECODED

**Preference:**

1. I like that this ad included cultural elements familiar to me.
2. I like that this ad is in English.
3. I like that this ad looks global.
4. I like that this ad is on the same level as international product advertisements.
5. This ad would have been better if it had local (Lebanese) features (e.g., Arabic text).  
Recorded

**Attitude:**

1. I would select Lebanese products because they are more familiar to me.
2. I would select Lebanese products because they are consistent with my attitudes.
3. I would select international products because they conform with my attitudes.
4. I would buy Lebanese products because it conforms with my values.
5. I would buy international products because they conform with my values.
6. I would select international products because they are more familiar to me.

**Cultural Intelligence – Taken from the CQ website**

**Metacognitive**

1. I am aware of the cultural knowledge I use when interacting with people with different cultural backgrounds.
2. I adjust my cultural knowledge as I interact with people from a culture that is unfamiliar to me.
3. I am conscious of the cultural knowledge I apply to cross-cultural interactions.
4. I check the accuracy of my cultural knowledge as I interact with people from different cultures.
5. I am aware of different products from different cultures.

**Cognitive**

1. I know the legal systems of other cultures.

2. I know the economic systems of other cultures.
3. I know the rules (e.g., vocabulary, grammar) of other languages.
4. I know the cultural values of other cultures.
5. I know the religious beliefs of other cultures.
6. I know the marriage system of other cultures.
7. I know the arts and crafts of other cultures.
8. I know the rules for expressing non-verbal behaviors in other cultures.
9. I know products from different cultures.

**Motivational**

1. I enjoy interacting with people from different cultures.
2. I am confident that I can socialize with locals in a culture that is unfamiliar to me.
3. I am sure I can deal with the stresses of adjusting to a culture that is new to me.
4. I enjoy living in cultures that are unfamiliar to me.
5. I am confident that I can get accustomed to the shopping conditions in a different culture.
6. I would buy a product from a different culture.

**Behavioral**

1. I change my verbal behavior (e.g., accent, tone) when a cross-cultural interaction requires it.
2. I vary the rate of my speaking when a cross-cultural situation requires it (e.g. I speak slower or faster while in a different cultural situation).
3. I change my non-verbal behavior when a cross-cultural situation requires it.
4. I alter my facial expressions when a cross-cultural interaction requires it.
5. I am more likely to purchase items that are international than local.



**Self-Efficacy:**

Please read the following scenario and rate the following statements to the best of your ability:

*As a marketing executive for a Lebanese company I have been chosen by my boss to represent the firm in New York, USA, by meeting with the president of a major American company. Once arriving to the states:*

1. I am confident with my abilities to interact with people from a different cultural background.
2. I am confident in my abilities to adapt my cultural knowledge while interacting with people from a different culture.
3. I am confident that I can handle whatever cultural situation I am placed in.
4. I am confident in my abilities to apply my cultural knowledge while interacting with someone from a different cultural background.
5. I am confident that I can get along with people from a different culture.

**Semiotics:**

1. I am knowledgeable about different cultures' social cues (such as the thumbs up may mean something positive in one culture and negative in another).
2. I am knowledgeable about different cultures' etiquettes, such as when it is appropriate to shake hands or to kiss on the cheek
3. I am able to pick-up non-verbal signs and cues from a different culture easily.
4. I am fluent in speaking, reading and writing more than one language.

**Internet and Smartphone Use (Diffusion of Innovation):**

1. I adapt to new technology quickly.
2. I would consider myself a heavy media user.
3. If I could, I would spend the majority of my time on watching television, going online, or listening to music.
4. If I could, I would only watch American movies and/or television shows.
5. If I could, I would only watch Arab movies and/or television shows.
6. I prefer to watch/listen to American produced media.

7. I prefer to watch/listen to MENA (Middle East and North Africa region) produced media.
8. I prefer to have a mix of both American and MENA media.

1. Please indicate how many hours you spend on the internet each day (daily).

Less than 29mins

30mins – 59mins

1hour – 2 hours

3hours – 4hours

5hours – 6hours

7 hours or more

2. How many hours are spent on your cell phone (smart phone)?

Less than 29mins

30mins – 59mins

1hour – 2 hours

3hours – 4hours

5hours – 6hours

7 hours or more

3. How many hours are spent of social media networks (Facebook, Instagram, Twitter, etc)?

Less than 29mins

30mins – 59mins

1hour – 2 hours

3hours – 4hours

5hours – 6hours

7 hours or more

4. I prefer watching TV series (news, TV shows, etc..) in:

- Arabic
- English
- French

5. I prefer watching Movies in:

- Arabic
- English
- French

**General Information:** Please answer the following questions as best you can:

1. Please specify your gender.

- Male
- Female

2. Please state how old you are:

\_\_\_\_\_ (e.g. 22 years old)

3. Please specify your educational background level:

- High School Diploma
- BS/BA Student
- BS/BA Graduate
- MS/MA Student
- MS/MA Graduate
- PH. D
- Post-Doctoral

4. Primarily language used and spoken during my time at the university was:

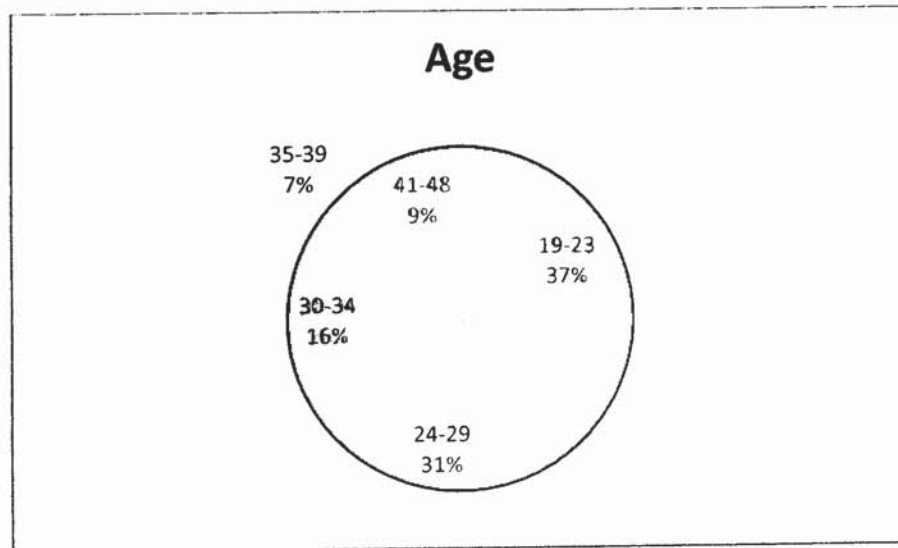
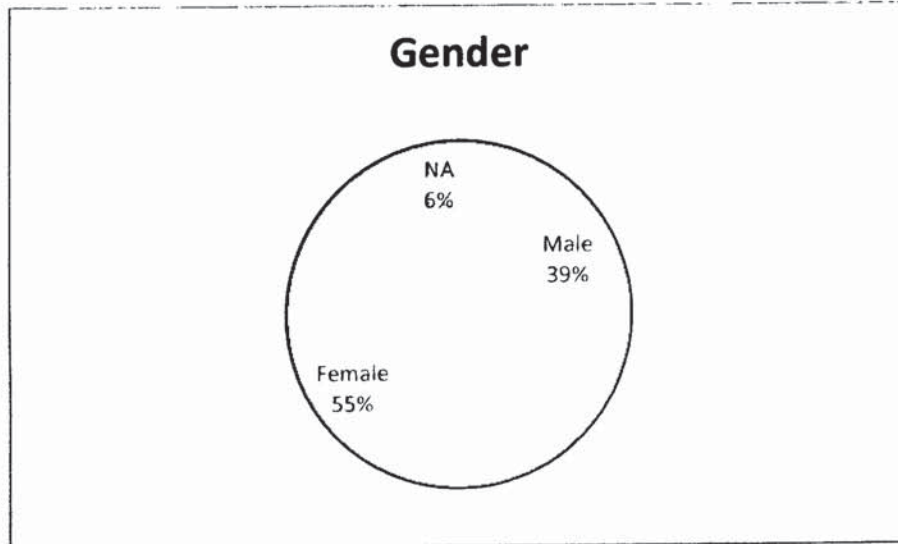
- Arabic
- English
- French

Thank you for your time.



**Appendix B**

Demographics



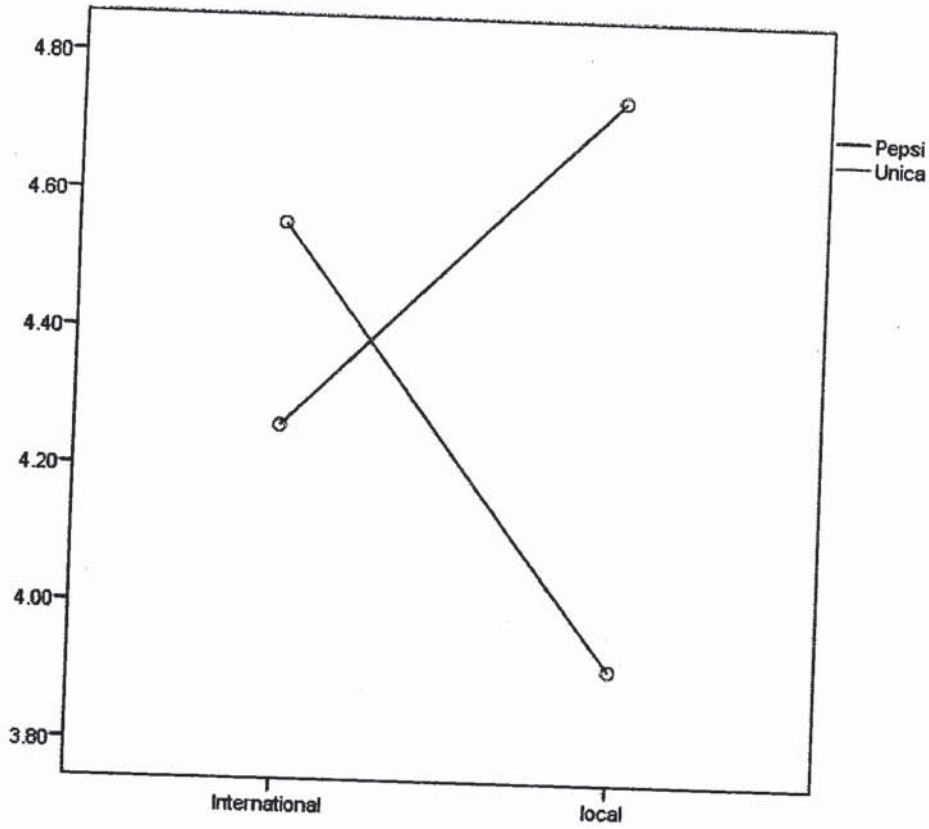
**Appendix C**

RQ 2 Table:

Variable	Mean, SD	ANOVA
Preference	Pepsi International: 4.554, .164	F(1, 91) = 9.157, p < .01, $\eta$ = .091
	Pepsi Local: 3.911, .232	
	Unica International: 4.259, .167	
	Unica Local: 4.740, .170	
Purchase	Pepsi International: 4.117, .114	F(1, 91) = 7.746, p < .01, $\eta$ = .078
	Pepsi Local: 3.919, .161	
	Unica International: 3.788, .116	
	Unica Local: 4.308, .118	
Symbolic Awareness	Pepsi International: 4.357, .133	F(1, 91) = 4.855, p < .05, $\eta$ = .051
	Pepsi Local: 4.054, .188	
	Unica International: 4.074, .135	
	Unica Local: 4.433, .138	
Cultural Intelligence	Pepsi International: 4.260, .096	F(1, 91) = 5.057, p < .05, $\eta$ = .053
	Pepsi Local: 3.866, .136	
	Unica International: 4.175, .098	
	Unica Local: 4.269, .100	

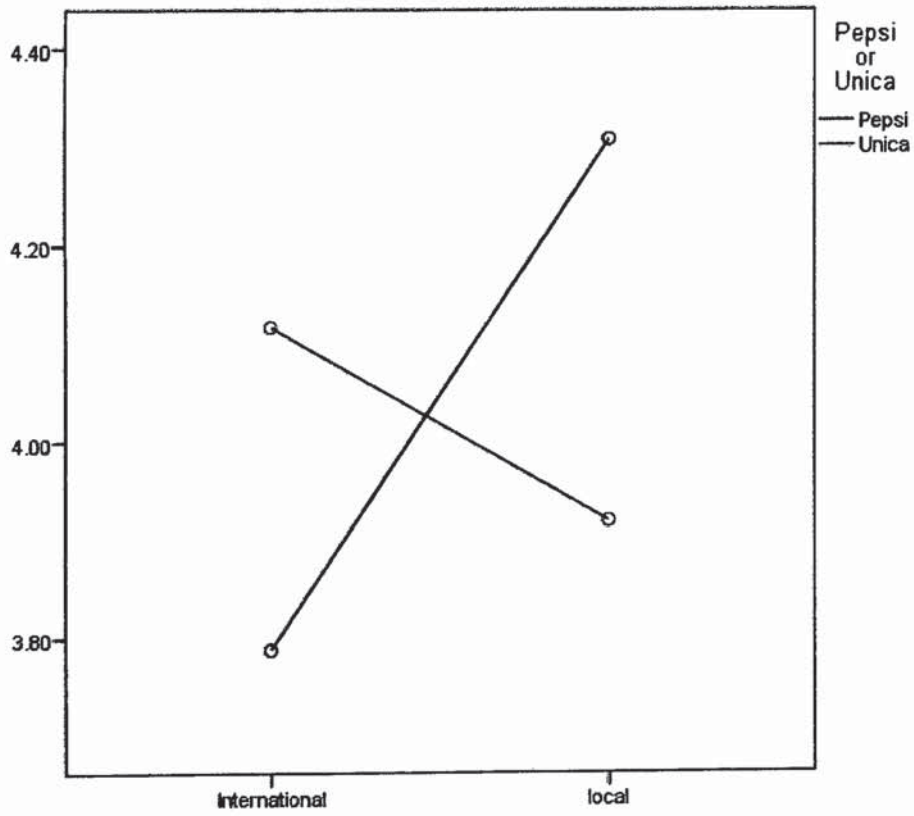
Appendix D

Graph 1: Preference

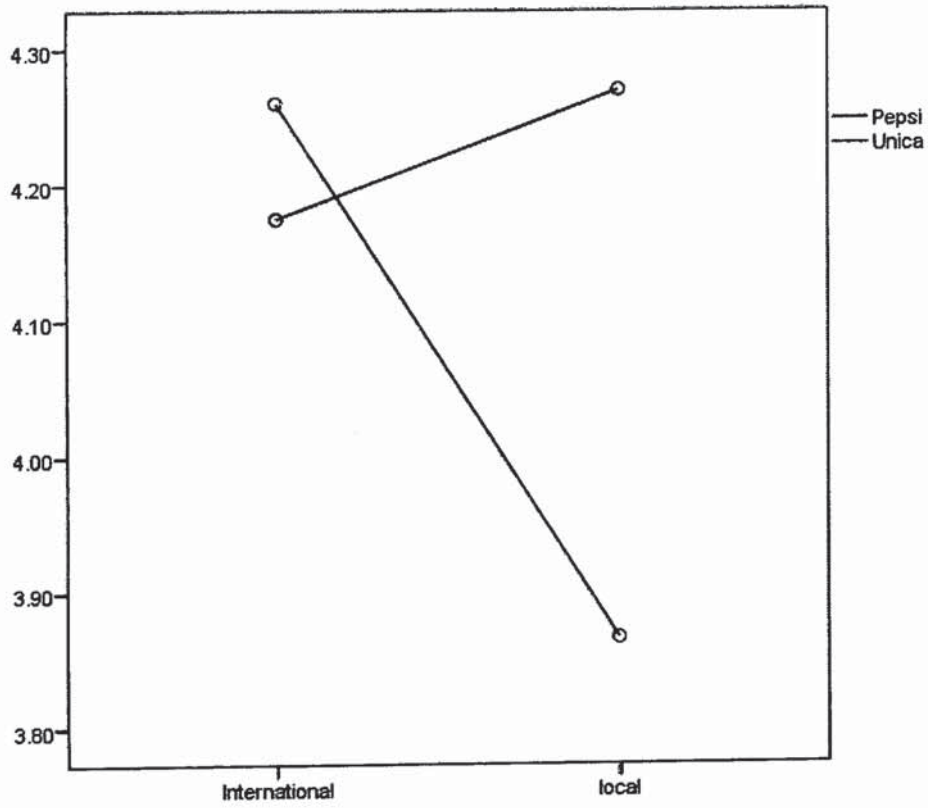




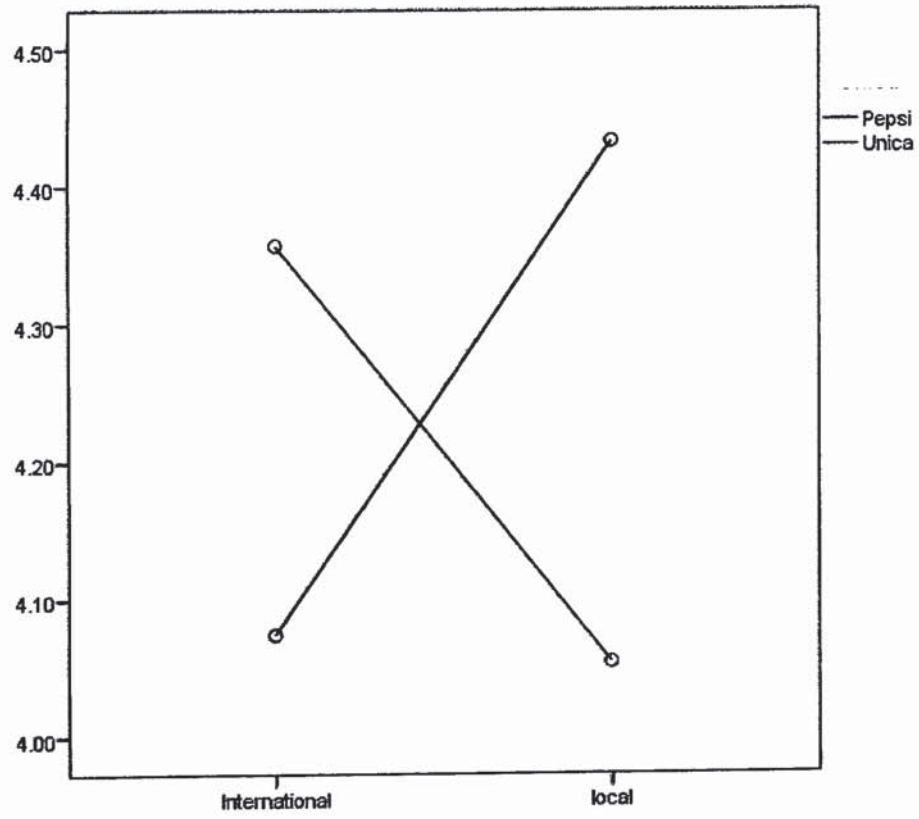
Graph 2: Purchasing



Graph 3: Cultural Intelligence



Graph 4: Symbolic Awareness





Graph 5: Diffusion of Innovation

