This research investigates the relationship between the cultural values and the marketing ethics in two diverse countries: India and the United States. The results show that these countries are indeed culturally different, though the gaps have narrowed considerably since Hofstede's (1991) study. Furthermore, the results indicate significant differences in the interpretation of the marketing ethical norms between these two countries. The study concludes with an analysis of how different dimensions of culture influence the different facets of marketing ethical norms for both countries. Such a framework should provide valuable insights that international marketers can use to identify differences in the perception of ethical norms across nationalities and, thus, to design more effective and efficient international marketing and management strategies.

With the recent revelations about Arthur Anderson, Enron, and WorldCom, the role of ethical issues in business has become more important than ever. Such issues are even more salient when dealing in an interdependent global economy. Contemporary scholars (see, e.g., Hofstede 2001; Mead 1994; Trompenaars 1994) have posited that a person’s value system and his or her interpretation of the ethics are greatly influenced by cultural background, at both the individual and the national level. Notably, however, pioneering deontological thinkers (e.g., Kant 1959) believe that ethical judgments are based solely on experiences and are not tainted by the subjective lenses through which they are viewed. In Foundations of the Metaphysics of Morals, Kant (1959, p. 3) notes that the basics of moral obligation “must not be sought in the nature of man or the circumstances in which he is placed, but sought a priori solely in the concepts of pure reason.” Yet today, with the advent of rapid globalization, trying to normalize activities across countries and across industrial and service sectors by creating a common set of norms and values and, thus, simplifying ethical decision making seems like a utopian dream.

The focus of our research is to investigate the relationship between the cultural values and the marketing ethics across two diverse countries: India and the United States. We chose these two countries because the recent fast-paced growth in globalization has accelerated the trade between the world’s
largest economy of a political democracy (i.e., the United States) and the fastest-growing democracy (i.e., India) over the past decade, a trend that promises to continue in the twenty-first century. According to the Pew Research Center's (2005) Global Attitudes Project, among all countries polled, India had the most favorable impression of the United States, thus holding promise for increased trade between these two countries. Furthermore, in the past few years, many consultant reports, such as the Kearney FDI Confidence Index (see http://www.atkearney.com/main.taf?p=1,5,1,168), have consistently ranked both countries in the top three preferred countries in which to invest. More than half of the Fortune 500 companies are involved in some form of outsourcing operation to India, and the rest are busy explaining to their shareholders why they are not doing so (The Economist 2006). The U.S.-based company General Motors alone imports $1 billion of automotive components from India, and Cisco plans to invest $1.1 billion in the next three years. Similarly, Indian firms, such as Infosys, TCS, and Indian Oil Corporation, rank among the most prestigious firms in the world and conduct a fair share of their business in the United States. More than 65,000 Americans now live in India, and more than 2 million Indians live in the United States. According to a special report in The Economist (2006, p. 31), “Tomorrow belongs to Asia,” and perhaps the United States needs India as much as (if not more than) India needs the United States. Given the volume of current and future trade between these two countries and because of the seeming cultural differences that exist between the East and the West, it is worthwhile to study the impact of cultural values on the marketing ethical norms in these two countries.

We begin by investigating the differences between cultural and marketing ethical practices in the United States and India. After demonstrating significant differences between these countries on both these domains, we explore the interrelationships between them and subsequently provide guidelines for designing more effective and efficient international marketing and management strategies. We also provide suggestions for further research.

As we stated previously, the goal of this research is to gain a better understanding of the interrelationships between culture and marketing ethical norms in the context of the United States and India. We begin by describing the two factors, culture and marketing ethics, and then we present our hypotheses.

Culture has long been believed to be the force that influences people in a society to follow the norms of their collective identity image. The anthropologist Robert Redfield (1948, p. vii) defines culture as “shared understandings made mani-
fest in art or artifact.” Subsequent definitions of the term have been varied and diverse; for example, Kroeber and Kluckhohn (1952, p. 181) find 164 different descriptions, which they classify into seven categories; they suggest the following comprehensive definition:

Culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols constituting the distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e., historically derived and selected) ideas and specially their attached values; culture systems may, on the one hand, be considered as products of action, and on the other as conditioning elements of further action.

Kluckhohn (1962, p. 25) offers a more concise definition of culture as the part of human makeup that “is learned by people as the result of belonging to a particular group, and is that part of learned behavior that is shared by others. It is our social legacy as contrasted to our organic heredity.”

Cultural dimensions characterize particular groups of people, which take on a supraidentity that constitutes the framework for each individual in the group (Hall 1973; Martin 2001). Recently, House and colleagues (2004) identified nine dimensions of culture on the basis of a study conducted by 150 researchers and data collected from 15,000 middle managers from 875 organizations in diverse industries in 61 countries. Hofstede (1991, 2001) defines culture as “the collective programming of the mind” and finds distinct cultural differences among people from different nationalities. He created five dimensions of cultural values that differentiate people’s national culture: collectivism versus individualism, uncertainty avoidance, femininity versus masculinity, power distance, and long-term versus short-term orientation.

The first dimension of cultural values, collectivism, pertains to “societies in which the ties between individuals are close: it pertains to societies in which people from birth onwards are integrated into strong, cohesive in-groups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty” (Hofstede 1991, p. 50). In other words, a collectivist’s identity is based on the social network to which he or she belongs, his or her opinions are predetermined by group membership, and harmony and consensus in society are the ultimate goals. Japanese and most other Asian cultures are examples of high-collectivist cultures, whereas U.S. and Western European cultures are typically low in collectivism.
The second dimension of cultural values is uncertainty avoidance, which is defined as “the extent to which the members of a culture feel threatened by uncertain or unknown situations” (Hofstede 1991, p. 113). For example, people of certain cultures, such as Greece and Portugal, seem to be more uncomfortable with unclear, ambiguous, or unstructured situations than people from India and Hong Kong.

Hofstede (1991, p. 82) defines the third dimension of cultural values, masculinity, as pertaining to “societies in which social gender roles are clearly distinct (i.e., men are supposed to be assertive, tough, and focused on material success whereas women are supposed to be more modest, tender, and concerned with the quality of life).” Conversely, “femininity pertains to societies in which social gender roles overlap (i.e., both men and women are supposed to be modest, tender, and concerned with the quality of life)” (p. 83). Japan and Austria outranked all other cultures in the measure of masculinity, whereas Sweden and the Netherlands were at the bottom.

Hofstede (1991, p. 28) defines power distance as “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally.” In other words, countries and/or individuals with a large power distance expect and desire inequalities among people and believe in authoritarian values and a centralized system. Hong Kong and France are examples of high-power-distance cultures, and Austria and Denmark are examples of low-power-distance cultures.

The final dimension of cultural values is long-term orientation, which incorporates values such as persistence (perseverance), the ordering of relationships by status and its observation, thrift, and having a sense of shame. The other end of this dimension, short-term orientation, emphasizes values such as personal steadiness and stability; protecting “face”; respect for tradition; and the reciprocation of greetings, favors, and gifts (Hofstede 1991). The differences between these two orientations are mostly based on Confucian dynamism and are characterized by the philosophy of the East versus the West, virtue versus truth, and dynamic versus static. Hong Kong and Taiwan both show long-term orientation, whereas Spain and the United Kingdom are at the other end of this continuum.

Some researchers have argued that the investigation of cultural dimensions at the national level leaves the possibility of “stereotyping” because distinct subcultures exist within a given country (Donthu and Yoo 1998; Lenartowicz and Roth 2001). The study of national-level cultural dimensions
assumes that all individual members of a country exhibit the same cultural values (e.g., all Indians have a long-term orientation, and all Americans have a short-term orientation). To avoid such broad generalization, individual-level cultural values must be measured and then linked to marketing ethics, which is an individual-level characteristic (Yoo and Donthu 2002). Therefore, our study also aims to investigate the effect of individual cultural dimensions on marketing ethics for each country. Afterward, a cross-country comparison will help determine whether there are any important insights into the relationship between cultural values and marketing ethics as a function of the national culture.

The concept of culture implicitly assumes that people from various backgrounds are exposed to their unique traditions, heritages, rituals, and customs, which provide them with different learning environments and histories, which in turn lead to variations in moral standards, beliefs, and behaviors across cultures. Therefore, culture not only influences learning but also affects what is perceived as right or wrong, acceptable or unacceptable, and ethical or unethical (Lu, Rose, and Blodgett 1999). As we noted previously, what defines a culture is the way that a person pursues his or her objectives in a given direction. A possible way of understanding this is to consider the perspective of a system of accepted rules and standards of behavior, or “a code of ethical values” of culture. In other words, in many ways, ethics overlaps with culture because it represents the moral dimension of how people should behave in the world. Values are inextricably related when confronting an ethical dilemma.

Subsequently, most models of ethical decision making either explicitly or implicitly incorporate the effects of culture. As Bartels (1967, p. 23) concludes, “Contrasting cultures of different societies produce different expectations and become expressed in the dissimilar ethical standards of those societies.” Hunt and Vitell (1986) embed cultural norms in their theory of marketing ethics, as do Ferrell and Gresham (1985), who incorporate the influence of cultural and group norms on individual behavior in their framework for understanding ethical decision making.

Business ethics is an extensive domain that encompasses many domains (e.g., professions, such as marketing, accounting, and finance; specific sectors, such as health care and information technology; see Jakubowski et al. 2002; Miller, Bersoff, and Harwood 1990; Singhapakdi, Vitell, and Franke 1999). We focus exclusively on marketing ethics, though our study participants were not limited to marketing professionals. This is to acknowledge the dispersion of marketing activities throughout all employees in a firm (Moorman and Rust 1999; Webster, Malter, and Ganesan 2005). Note also
that different constituents (e.g., marketers, consumers, different ethnic groups) may have different perceptions of marketing ethics (Christie et al. 2003; Cui and Choudhury 2003; Keenan 2002; Pires and Stanton 2002).

Although there are several definitions of marketing ethics, Hunt and Vitell's (1986, p. 7) definition stands out as the most robust definition: “an inquiry into the nature and grounds of moral judgments, standards, and rules of conduct relating to marketing decisions and marketing situations.” On the basis of an investigation of the code of ethics of the American Marketing Association, Vitell, Rallapalli, and Singhapakdi (1993) identify four specific marketing-related norms—price and distribution, information and contracts, product and promotion, and obligation and disclosure—and a general honesty and integrity norm. The specific items for each norm explain the conceptualization of these norms. These norms adequately operationalize the concept of marketing ethics and are used widely in this stream of research.

Given the close connection between people’s cultural values and ethical decision making, scholars have attempted to investigate this relationship (Hunt and Vitell 1986; Whipple and Swords 1992). Hunt and Vitell’s (1986) theory of ethics proposes that people’s ethical judgments differ because of differences in both deontological moral reasoning theory, which is based on the premise that acts are ethical/unethical because of their nature, not because of their consequences, and teleological moral reasoning theory, which stipulates that acts are ethical/unethical because of their consequences, not because of their nature. Recently, there has been a flurry of research focusing on the importance of cultural values in learning ethical behavior and assessing moral issues. An example of this is the work of Blodgett and colleagues (2001), who find an effect of culture on a person’s ethical sensitivity toward his or her company, customers, competitors, and colleagues. In another study, Singhapakdi and colleagues (1999) compare and find some significant differences between consumers from Malaysia and those from the United States in terms of their perceptions of marketing ethics situations.

However, few researchers have empirically studied how these cultural values are related to marketing ethics directly (Lu, Rose, and Blodgett 1999; Vitell, Nwachukwu, and Barnes 1993). An objective of the current study is to examine the effects of various national cultural values on marketing ethics. On the basis of Hofstede’s research (and recent studies; see, e.g., Kracher, Chatterjee, and Lindquist 2002; Lu, Rose, and Blodgett 1999), we find that the national cultures of India and the United States are different on most of the dimensions. Moreover, there is both direct and indirect evidence of differing levels of ethical values. For example,
Transparency International’s (see www.transparency.org) reports show major differences in corruption practices between these two countries across most national institutions and sectors (e.g., business and private sector, media, nongovernmental organizations) and the impact of such practices on political life, the business environment, and personal and family life.

As we noted previously, our goal is to investigate the impact of cultural values on marketing ethical norms across India and the United States. Specifically, in the past two decades, much attention has focused on national culture as a key determinant and predictor of several business activities. Within the field of marketing, Clark (1990) proposes why national culture is a strong indicator of decision making in global marketing contexts, and Adler and Barholomew (1992) show that it is a powerful predictor of many organizational actions. Subsequent research has shown its impact on new product development (Nakata and Sivakumar 1996), product development approaches (Li and Atuahene-Gima 1999), and instituting the marketing concept (Nakata and Sivakumar 2001), among many other marketing activities.

Hofstede’s (1991) cultural framework is a good place to start to measure national cultural values. His typology incorporates most of the cultural conceptualizations and is the most popular in this field (Kirkman, Lowe, and Gibson 2006; Sondergaard 1994). Important relationships between culture and demographic, economic, political, geographic, and business indicators have been found using Hofstede’s cultural dimensions (Dwyer, Mesak, and Hsu 2005; Kale and Barnes 1992). In our study, we investigated whether these cultural dimensions influence marketing ethics in India and the United States, two countries that are very different on Hofstede’s (1991) scales of cultural dimensions but are deeply involved in trade. Although Hofstede’s study is more than two decades old, no other study since then has found any marked inconsistency on the relative positions of these two countries along the cultural dimensions. Finally, we measured the cultural values of the respondents from both countries as primary data and then investigated their relationship with the level of marketing ethics (which we collected as primary data as well).

The first dimension of culture, collectivism, integrates all members of the society into cohesive in-groups. Furthermore, collectivism has been associated with sacrifice (ingroup regulations of behavior) and extension of the self to the in-group (interdependence; see Triandis 2004). It emphasizes a prosocial behavior (active protection or enhancement of welfare of others) and restrictive conformity (restraint of actions and impulses that are likely to harm others and to
violate sanctioned norms; see Schwartz and Bilsky 1987). Because of such great in-group influence and loyalty to the in-group norms, collectivists are more likely to adhere to the marketing norms chosen by their marketing in-group than are individualists (Yoo and Donthu 2002). Furthermore, collectivist cultures are shame based, are tradition bound, and have stronger moral obligation to their families and societies to which they belong. They are expected to build harmony with pertinent groups, such as owners and stockholders, consumers, business partners, and other employees (Vittel, Nwachukwu, and Barnes 1993).

India has an individualism index, or IDV, score (individualism is a polar opposite of collectivism) of 48 (ranked 21 among 50 countries studied by Hofstede [1991]), and the United States has an IDV score of 91 (ranked 1). On the basis of these scores, we expect that the people from these countries will embrace different levels of marketing ethical norms. Specifically, we propose the following:

**H1a:** As a cultural dimension, collectivism positively influences the levels of marketing ethical norms in each country.

**H1b:** In our study, India will have higher collectivism index (COL) scores than the United States, and this will correspondingly indicate higher levels of marketing ethical norms in India.

Uncertainty avoidance is the extent to which people are uncomfortable with unknown and unstructured situations. Societies with higher uncertainty avoidance are likely to have a stronger fear of failure. Thus, people with strong uncertainty avoidance prefer the status quo and feel the need for many and precise laws and explicit rules to combat the uncertainty and unpredictability (Ferrell and Skinner 1988). They follow these norms rigidly and with respect, which can create a structured situation for them, whereas those with weak uncertainty avoidance are more flexible (Hofstede 1991). In general, cultures that accept uncertainty may produce a behavior that is more relativist, negotiable, and contemplative, and such people do not need explicit norms and ethical standards. In low-uncertainty-avoidance cultures, there is a strong tendency to adhere to rules in the business world in which the employees are not likely to act unethically, even if it is in the firm's best interest. Conversely, cultures with strong uncertainty avoidance may need such norms to take control of the situation, to reduce ambiguity among various procedures, and to predict the actions of other people.
Therefore, a culture such as that of the United States, which has an uncertainty avoidance index, or UAV, score of 46 (ranked 43 among 50 countries studied by Hofstede [1991]) will follow marketing ethical norms more strictly because these norms may reduce the ambiguity in their regular activities, procedures, and behaviors and the resulting discomfort. Conversely, India, which has a UAV score of 40 (ranked 45) should accept uncertainty without much discomfort (relatively) and will have slightly less need for such explicit marketing norms.

H₂a: As a cultural dimension, uncertainty avoidance positively influences the levels of marketing ethical norms in each country.

H₂b: In our study, India will have lower UAV scores than the United States, and this will correspondingly indicate lower levels of marketing ethical norms in India.

Masculinity is prevalent in a society in which men are expected to be assertive and competitive and women play the role of nurturer and are responsible for the welfare of the children. People from low-masculinity (i.e., feminine) cultures have been shown to be more compassionate and empathetic toward others and to avoid conflict and aggressive behaviors (Hofstede 2001). As such, they may have stronger ethical sensitivities because unethical or immoral behaviors are believed to lead to group conflict and disrupt social structures (Moon and Franke 2000). Managers in a high-masculinity culture are expected to be decisive and assertive rather than intuitive and consensus seeking. Such a culture stresses equity, competition among colleagues, performance, and resulting material success and progress. Therefore, it can be argued that people from a masculine culture live to work and tend to pursue success, even at the cost of sacrificing marketing ethics if necessary. Along these lines, Vittel, Nwachukwu, and Barnes (1993) propose an inverse relationship between masculinity and conformity to professional, industry, and organizational codes of ethics, and Yoo and Donthu (2002) validate this. Masculine cultures also have higher levels of corruption (Getz and Volkema 2001) and are more likely to overlook ethically questionable business practices.

From Hofstede’s (1991) study, we find that the United States has a high masculinity index, or MAS, score of 62 (ranked 15 among 50 countries), and India has an MAS score of 56 (rank 20/21). Therefore, we expect that people from the United States will exhibit a lower level of marketing ethical norms than people from India. Thus:
H₃ₐ: As a cultural dimension, masculinity negatively influences the levels of marketing ethical norms in each country.

H₃ₑ: In our study, India will have lower MAS scores than the United States, and this will correspondingly indicate higher levels of marketing ethical norms in India.

In cultures with higher power distance, less powerful members of an organization typically accept the unequal distribution of power. This culture reflects a hierarchical organization in which subordinates expect to be told what to do and the ideal boss is a benevolent autocrat. These people are more likely to obey their superiors than to follow informal norms, such as industrywide codes of ethics (Vittel, Nwachukwu, and Barnes 1993). Yoo and Donthu (2002) also find that people with a larger power distance exhibit a lower level of marketing ethics. Furthermore, cultures with large power distance scores also have more informal leniency toward rules of civil morality (Hofstede 2001) and a higher degree of corruption (Getz and Volkema 2001), and they claim unentitled benefits, bribes, and stolen merchandise (Inglehart 2000). They respect formalization of authority and prefer vertical top-down communication and, consequently, pay less attention to their peers and informal norms, such as ethical standards.

In a cross-cultural study, Lu, Rose, and Blodgett (1999) find that Taiwanese people show lower scores in the marketing norms they measured than Americans. Incidentally, Taiwan has a high power distance index, or PDI, score of 58 (ranked 29/30 among 50 countries studied by Hofstede [1991]), whereas the United States has a low PDI score of 40 (ranked 38). Therefore, we expect that people from India and the United States will show different levels of marketing ethical norms because they have diverse PDI scores. The PDI scores for India and the United States were 77 (ranked 10/11) and 40 (ranked 38), respectively. In particular, we propose the following hypotheses:

H₄ₐ: As a cultural dimension, power distance negatively influences the levels of marketing ethical norms in each country.

H₄ₑ: In our study, India will have higher PDI scores than the United States, and this will correspondingly indicate lower levels of marketing ethical norms in India.

Finally, people with a long-term orientation tend to have a sense of harmonious and stable hierarchy and complemen-
tarity of roles, support interrelatedness through social contracts, stress the keeping of commitments, and have concerns about the demands of virtue. Schwartz and Bilsky (1987) show that such people are more likely to obey the rules and conform to social expectations and norms to avoid a sense of shame or guilt. Therefore, they are more likely to adhere to marketing ethical norms because they are eager to save face and not damage their reputation. Therefore, we expect that people from India, which has a long-term orientation index, or LTO, score of 56 (ranked 7 among 22 countries studied by Hofstede [1991]), will comply with marketing ethical norms more so than people from the United States, which has an LTO score of 29 (ranked 17). Thus:

\[ H_{5a}: \text{As a cultural dimension, long-term orientation positively influences the levels of marketing ethical norms in each country.} \]

\[ H_{5b}: \text{In our study, India will have higher LTO scores than the United States, and this will correspondingly indicate higher levels of marketing ethical norms in India.} \]

Table 1 illustrates our hypotheses.

Following the work of Lenartowicz and Roth (2004), who note that data of “intergroup cross-cultural studies” may be collected at the individual level and analyzed at the group/country level (for other examples of studies using a similar rationale, see Gibson 1999; Kirkman and Shapiro 2001), we collected data from regular and executive MBA students in India and the United States, using a self-administered, paper-and-pencil, short questionnaire as an instrument. Appendixes A and B list the items we used to measure the cultural norms and the marketing ethical practices constructs, respectively. The first part of the questionnaire consisted of a 24-item measure of marketing ethical norms originally derived from the American Marketing Association code and validated by a study that used randomly selected American Marketing Association members as participants. This scale has been used in various studies in the United States and other countries and has been shown to be reliable and valid (Klein 1999; Rallapalli, Vitell, and Szémbach 2000). The number of items for each dimension of the marketing ethical norms construct was as follows: marketing price and distribution norms (5 items), information and contract norms (6 items), product and promotion norms (5 items), obligation and disclosure norms (4 items), and general honesty and integrity (4 items). In addition, using all 24 items of marketing norms, we created a new composite variable, “overall marketing ethics construct,” and correlated it with the five cultural dimensions.
In the second part of the questionnaire, 26 items measured the five dimensions of individual cultural values. It was a slightly modified version of the scale that Donthu and Yoo (1998) and Yoo and Donthu (2002) originally used and validated to capture Hofstede’s dimensions of culture at the individual level better. The items included collectivism (6 items), uncertainty avoidance (5 items), masculinity (4 items), power distance (5 items), and long-term orientation (6 items).

As we noted previously, we purposely selected the United States and India to reflect variance on the characteristics of interest (Douglas and Craig 2006). We chose an exemplar institution with comparable characteristics from each country. We used a judgmental (nonprobability) sample in each case; informants from comparable MBA programs were approached and voluntarily provided data for the study.

A total of 298 students participated in this study, 188 from India and 110 from the United States. All participants from
India were enrolled in the regular MBA program, and the U.S. sample consisted mostly of regular MBA students and a few executive MBA students. An examination (with t-tests) showed no significant differences in ethical or cultural evaluations between the regular and the executive MBA students from the United States. A comparison of the content of the curricula in both countries also revealed a reasonably equivalent coverage of conceptual and theoretical frameworks, with obvious differences in country-specific case studies.

Although there is likely to be significant within-country heterogeneity and divergence of cultural values, Hofstede (2001) demonstrates that in most countries, there is a great deal of stability with respect to the more fundamental aspects of both cultural practices and psychological commonalities within subcultural entities in each nation. As such, we chose our sample from comparable MBA programs in both countries. A homogeneous sample of characteristics in cross-cultural research also satisfies the comparability criterion that Craig and Douglas (2005, pp. 291–95) and Malhotra, Agarwal, and Peterson (1996), among others, recommend. However, a greater proportion of the Indian sample was male (84%) than was the case in the U.S. sample (59%), which approximated the gender composition of business professionals in the respective countries. Moreover, the choice of the MBA students was important because they represent a “flashpoint” of the debate about whether ethics should or can be taught in the classroom. In addition, business school graduates become the managers who eventually make the decisions by which corporate conduct is deemed to be ethically appropriate or not (Burnett, Keith, and Pettijohn 2003). The average ages of the Indian and U.S. samples were 25 and 28 years, respectively. On average, the Indian respondents had three years of work experience after their undergraduate degree, whereas the U.S. respondents had five years of work experience. Notably, almost the same percentage of people in the samples in each country (33% in India versus 32% in the United States) were concentrating on “marketing” in their curricula. In any case, all respondents had taken at least one marketing course in their MBA curriculum and were comfortable with the questions asked in the questionnaire.

Table 2 indicates the correlation coefficients across the five cultural values and five marketing ethical norms for both countries. Cronbach’s alphas for all the constructs are all above .70 (except for long-term orientation and general honesty and integrity), thus meeting Nunally’s (1978) recommendations for reflecting reliability of our measures. Specifically, collectivism measures correlated positively and significantly with the ethical norms for both countries (p < .01), in support
Table 2: Correlation Coefficients for Cultural Values and Ethical Norms for Managers in Both Countries

<table>
<thead>
<tr>
<th>Cultural Values</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Collectivism</td>
<td>.84/85</td>
<td>.34**</td>
<td>.04</td>
<td>-.07</td>
<td>.13</td>
<td>.19*</td>
<td>.28**</td>
<td>.27**</td>
<td>.26**</td>
<td>.40**</td>
<td>.39**</td>
</tr>
<tr>
<td>2. Uncertainty avoidance</td>
<td>.28**</td>
<td>.86/81</td>
<td>.14</td>
<td>.13</td>
<td>.27**</td>
<td>-.03</td>
<td>.14</td>
<td>.08</td>
<td>.03</td>
<td>.12</td>
<td>.07</td>
</tr>
<tr>
<td>3. Masculinity</td>
<td>.11</td>
<td>.23*</td>
<td>.84/76</td>
<td>.32**</td>
<td>-.10</td>
<td>-.12</td>
<td>-.17*</td>
<td>-.24**</td>
<td>-.24**</td>
<td>-.17*</td>
<td>-.25**</td>
</tr>
<tr>
<td>4. Power distance</td>
<td>.02</td>
<td>.31**</td>
<td>.52*</td>
<td>.78/76</td>
<td>-.20**</td>
<td>-.17*</td>
<td>-.22**</td>
<td>.29**</td>
<td>-.26**</td>
<td>-.22**</td>
<td>-.32**</td>
</tr>
<tr>
<td>5. Long-term orientation</td>
<td>.13</td>
<td>.20*</td>
<td>.14</td>
<td>-.01</td>
<td>.61/71</td>
<td>.13</td>
<td>.28**</td>
<td>.31**</td>
<td>.18*</td>
<td>.14</td>
<td>.25**</td>
</tr>
<tr>
<td>Marketing Ethical Norms</td>
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<tr>
<td>6. Price and distribution</td>
<td>.23*</td>
<td>.38**</td>
<td>-.01</td>
<td>.11</td>
<td>.09</td>
<td>.73/68</td>
<td>.26**</td>
<td>.30**</td>
<td>.37**</td>
<td>.30**</td>
<td>.63**</td>
</tr>
<tr>
<td>7. Information and contract</td>
<td>.37**</td>
<td>.40**</td>
<td>-.01</td>
<td>.01</td>
<td>.30**</td>
<td>.43**</td>
<td>.74/75</td>
<td>.60**</td>
<td>.47**</td>
<td>.49**</td>
<td>.73**</td>
</tr>
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<td>8. Product and promotion</td>
<td>.25**</td>
<td>.26**</td>
<td>-.05</td>
<td>-.12</td>
<td>.25**</td>
<td>.40**</td>
<td>.59**</td>
<td>.84/75</td>
<td>.51**</td>
<td>.60**</td>
<td>.78**</td>
</tr>
<tr>
<td>9. Obligation and disclosure</td>
<td>.19*</td>
<td>.28**</td>
<td>-.06</td>
<td>.04</td>
<td>.21*</td>
<td>.51**</td>
<td>.46**</td>
<td>.43**</td>
<td>.70/69</td>
<td>.56**</td>
<td>.78**</td>
</tr>
<tr>
<td>10. General honesty and integrity</td>
<td>.39**</td>
<td>.27**</td>
<td>-.07</td>
<td>.01</td>
<td>.27**</td>
<td>.39**</td>
<td>.69**</td>
<td>.56**</td>
<td>.57**</td>
<td>.69/65</td>
<td>.79**</td>
</tr>
<tr>
<td>11. Overall ethics</td>
<td>.36**</td>
<td>.41**</td>
<td>-.05</td>
<td>.02</td>
<td>.27**</td>
<td>.75**</td>
<td>.78**</td>
<td>.74**</td>
<td>.79**</td>
<td>.81**</td>
<td>.84/80</td>
</tr>
</tbody>
</table>

*p < .05.
**p < .01.

Notes: The correlation coefficients below the bold diagonal are for U.S. participants, and those above the bold diagonal are for Indian participants. The figures on the bold diagonal are Cronbach's alphas (United States/India) for the respective constructs.
of \( H_{1a} \). The uncertainly avoidance measures correlated positively with the ethical norms for the U.S. respondents \((p < .01)\) but not for their Indian counterparts, providing partial support for \( H_{2a} \). Conversely, masculinity measures were negatively correlated with the ethical norms for U.S. respondents but not for the Indian respondents, in partial support of \( H_{3a} \). Similarly, power distance scores were negatively correlated with the ethical norms for Indian respondents but not for U.S. respondents, in partial support of \( H_{4a} \). Finally, as \( H_{5a} \) predicted, participants from both countries indicated a significant and positive correlation between long-term orientation and ethical norms (except for price and distribution).

Table 3 provides a comparison of the cultural values and ethical norms in India and the United States. Our results are mixed compared with Hofstede’s (1991) findings. For example, we found that Indian professionals scored higher than their U.S. counterparts in power distance (2.11 versus 1.72, \( p < .01 \)) but lower in uncertainty avoidance (3.43 versus 3.61, \( p < .05 \)), as Hofstede (and \( H_{2b} \) and \( H_{4b} \), respectively) predicted. Furthermore, the U.S. professionals in our study indicated lower masculinity scores than the Indians (2.18 versus 2.69, \( p < .01 \)), contrary to Hofstede’s results (and \( H_{3b} \)). However, we did not find any difference between our samples along the dimensions of collectivism and long-term orientation (contrary to \( H_{1b} \) and \( H_{5b} \), respectively).

There may be various reasons that our results did not exactly reflect Hofstede’s (1991) findings on cultural values. Our sample size was small and much younger than that of Hofstede’s (1991) findings on cultural values. Our sample size was small and much younger than that of Hofstede’s (1991) findings on cultural values. Our sample size was small and much younger than that of Hofstede’s (1991) findings on cultural values. Our sample size was small and much younger than that of Hofstede’s (1991) findings on cultural values. Our sample size was small and much younger than that of Hofstede’s (1991) findings on cultural values.

### Table 3. Comparison on Cultural Values and Ethical Norms

<table>
<thead>
<tr>
<th>Cultural Values</th>
<th>United States</th>
<th>India</th>
<th>t-Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collectivism</td>
<td>3.19 (.73)</td>
<td>3.34 (.82)</td>
<td>1.51</td>
</tr>
<tr>
<td>Uncertainty avoidance</td>
<td>3.61 (.79)</td>
<td>3.43 (.80)</td>
<td>1.88*</td>
</tr>
<tr>
<td>Masculinity</td>
<td>2.18 (1.06)</td>
<td>2.69 (1.09)</td>
<td>3.85**</td>
</tr>
<tr>
<td>Power distance</td>
<td>1.72 (.85)</td>
<td>2.11 (.81)</td>
<td>3.88**</td>
</tr>
<tr>
<td>Long-term orientation</td>
<td>3.97 (.47)</td>
<td>3.95 (.64)</td>
<td>-.38</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketing ethical norms</th>
<th>United States</th>
<th>India</th>
<th>t-Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price and distribution</td>
<td>3.95 (.74)</td>
<td>3.73 (.80)</td>
<td>-2.37*</td>
</tr>
<tr>
<td>Information and contract</td>
<td>4.44 (.45)</td>
<td>4.35 (.53)</td>
<td>-1.50</td>
</tr>
<tr>
<td>Product and promotion</td>
<td>4.54 (.52)</td>
<td>4.37 (.58)</td>
<td>-2.52*</td>
</tr>
<tr>
<td>Obligation and disclosure</td>
<td>4.19 (.65)</td>
<td>4.18 (.67)</td>
<td>-.09</td>
</tr>
<tr>
<td>General honesty and integrity</td>
<td>4.29 (.59)</td>
<td>4.09 (.69)</td>
<td>-2.51*</td>
</tr>
<tr>
<td>Overall ethical norms</td>
<td>4.28 (.46)</td>
<td>4.13 (.49)</td>
<td>-2.56*</td>
</tr>
</tbody>
</table>

\*\( p < .05 \).

\**\( p < .01 \).

Notes: All measurements use a Likert scale (1 = “strongly disagree,” and 5 = “strongly agree”); for details, see Appendixes A and B. The table presents means (standard deviations).
Furthermore, culture is a dynamic process that goes through metamorphoses over time, and it is difficult to replicate Hofstede’s findings in the current cultural conditions. In addition, we reported the rank-order data of India and the United States and their absolute scores on these dimensions (as Hofstede suggests) without statistically testing for the significance of the underlying difference of these scores. This may open up the possibilities of findings that may not exactly be the same as those of Hofstede. Hofstede’s theory provides a useful benchmark to develop our hypotheses. However, as we discuss the results of this study further, we focus on the primary data collected in this study to test our hypotheses.

A check on the comparison of the ethical norms in the two countries (Table 3) indicates that the overall ethical norms scores (a composite of the five components of marketing ethical norms; see Appendix B) differ significantly between India and the United States (4.13 versus 4.28, \( p < .05 \)). Essentially, U.S. professionals have a much stricter interpretation of the norms than their Indian counterparts. Specifically, U.S. professionals scored higher on the following dimensions: price and distribution, product and promotion, and general honesty and integrity \( (p < .05, \text{for all}) \). The other two dimensions (information and contract and obligation and disclosure) did not show any statistically significant difference. Note that \( H_{2b} \) and \( H_{4b} \) predicted that U.S. professionals would exhibit a higher level of marketing ethical norms than Indian professionals, whereas \( H_{1b}, H_{3b}, \) and \( H_{5b} \) predicted the opposite. Our results show that the U.S. professionals exhibited a higher level of norms distinctly in three of the five categories and in general.

The results of the exploratory and confirmatory factor analysis showed that the factorial structures of both the five cultural and the five ethical dimensions were equivalent across both populations. Given the large number of indicators and small sample sizes for both countries, we employed path analysis with LISREL 8.51 for Windows (Jöreskog and Sörbom 2003), using the composite constructs instead of the individual indicators. Moreover, the use of the aggregate scores to represent composite measures for each construct reduces random measurement error and generates more accurate information. As Steenkamp and Baumgartner (1998) recommend, we estimated a multigroup path model; all hypothesized paths in which path coefficients were restricted were equal in both groups. We refer to this as the “overall model” in Table 4 \( (\chi^2 = 48.43, \text{d.f.} = 35, p < .04) \). The goodness-of-fit indicators were also excellent: goodness-of-fit index = .95, normed fit index = .96, comparative fit index = .91, and root mean square error of approximation = .049. Subsequently, we eliminated 8 of the 25 paths because

---

**Multigroup Path Analysis**

*Cultural Values on Marketing Ethical Norms*
<table>
<thead>
<tr>
<th></th>
<th>Overall Model</th>
<th>Restricted Model</th>
<th>Final Unrestricted Model</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>United States</td>
<td>India</td>
<td></td>
</tr>
<tr>
<td>Collectivism → price and distribution</td>
<td>.17 (2.88)</td>
<td>.18 (2.96)</td>
<td>.13 (1.41)</td>
</tr>
<tr>
<td></td>
<td>.22 (2.91)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collectivism → honesty and integrity</td>
<td>.37 (6.60)</td>
<td>.39 (7.33)</td>
<td>.37 (4.34)</td>
</tr>
<tr>
<td></td>
<td>.40 (5.96)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collectivism → information and contract</td>
<td>.25 (4.25)</td>
<td>.25 (4.45)</td>
<td>.27 (3.17)</td>
</tr>
<tr>
<td></td>
<td>.24 (3.32)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collectivism → obligation and disclosure</td>
<td>.20 (3.50)</td>
<td>.23 (4.05)</td>
<td>.18 (1.92)</td>
</tr>
<tr>
<td></td>
<td>.25 (3.60)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collectivism → product and promotion</td>
<td>.21 (3.76)</td>
<td>.23 (4.34)</td>
<td>.23 (2.52)</td>
</tr>
<tr>
<td></td>
<td>.23 (3.49)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertainty avoidance → price and distribution</td>
<td>.08 (1.21)</td>
<td>.10 (1.87)</td>
<td>.35 (3.75)</td>
</tr>
<tr>
<td></td>
<td>.10 (1.35)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertainty avoidance → honesty and integrity</td>
<td>.06 (1.09)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertainty avoidance → information and contract</td>
<td>.15 (2.59)</td>
<td>.15 (2.59)</td>
<td>.32 (3.57)</td>
</tr>
<tr>
<td></td>
<td>.04 (.51)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertainty avoidance → obligation and disclosure</td>
<td>.06 (.99)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertainty avoidance → product and promotion</td>
<td>.07 (1.21)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masculinity → price and distribution</td>
<td>−.09 (−1.51)</td>
<td>−.16 (−2.96)</td>
<td>−.15 (−1.89)</td>
</tr>
<tr>
<td></td>
<td>−.18 (−2.65)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masculinity → honesty and integrity</td>
<td>−.14 (−2.44)</td>
<td>−.16 (−2.96)</td>
<td>−.13 (−1.32)</td>
</tr>
<tr>
<td></td>
<td>−.12 (−1.71)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masculinity → information and contract</td>
<td>−.12 (−1.99)</td>
<td>−.12 (−1.99)</td>
<td>−.13 (−1.13)</td>
</tr>
<tr>
<td></td>
<td>−.24 (−3.47)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masculinity → obligation and disclosure</td>
<td>−.14 (−2.35)</td>
<td>−.19 (−3.42)</td>
<td>−.11 (−1.13)</td>
</tr>
<tr>
<td></td>
<td>−.24 (−3.47)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masculinity → product and promotion</td>
<td>−.17 (−2.81)</td>
<td>−.11 (−1.87)</td>
<td>−.07 (−.61)</td>
</tr>
<tr>
<td></td>
<td>−.17 (−2.45)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Overall Model</td>
<td>Restricted Model</td>
<td>Final Unrestricted Model</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>---------------</td>
<td>------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Power distance → price and distribution</td>
<td>-.02 (-.36)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power distance → information and contract</td>
<td>-.08 (-1.37)</td>
<td>-.10 (-1.87)</td>
<td>-.03 (-.29)</td>
</tr>
<tr>
<td>Power distance → product and promotion</td>
<td>-.15 (-2.53)</td>
<td>-.14 (-2.34)</td>
<td>-.09 (-.80)</td>
</tr>
<tr>
<td>Power distance → obligation and disclosure</td>
<td>-.07 (-1.19)</td>
<td></td>
<td>-.13 (-1.90)</td>
</tr>
<tr>
<td>Power distance → honesty and integrity</td>
<td>-.06 (-1.07)</td>
<td></td>
<td>-.17 (-2.44)</td>
</tr>
<tr>
<td>Long-term orientation → price and distribution</td>
<td>.07 (1.17)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term orientation → information and contract</td>
<td>.20 (3.68)</td>
<td>.20 (3.62)</td>
<td>.21 (2.54)</td>
</tr>
<tr>
<td>Long-term orientation → product and promotion</td>
<td>.22 (3.90)</td>
<td>.26 (4.77)</td>
<td>.23 (2.52)</td>
</tr>
<tr>
<td>Long-term orientation → obligation and disclosure</td>
<td>.14 (2.36)</td>
<td>.16 (2.84)</td>
<td>.20 (2.14)</td>
</tr>
<tr>
<td>Long-term orientation → honesty and integrity</td>
<td>.11 (2.04)</td>
<td>.13 (2.52)</td>
<td>.24 (2.80)</td>
</tr>
<tr>
<td>(\chi^2) (d.f.)</td>
<td>48.43 (35)</td>
<td>352.94 (57)</td>
<td>284.21 (36)</td>
</tr>
<tr>
<td>p value</td>
<td>.04</td>
<td>.10</td>
<td>.51</td>
</tr>
</tbody>
</table>

Notes: Items with a p value of 1.86 or greater are significant and appear in bold.
they were insignificant, and we estimated a multigroup model in which path coefficients were restricted to be equal. The results appear under the “Restricted Model” column in Table 4. This model fits the data better than the overall model ($\chi^2 = 352.94$, d.f. = 57, $p < .10$). Finally, we estimated a multigroup model in which we allowed all path coefficients to vary freely. The results appear under the “Final Unrestricted Model” in Table 4 ($\chi^2 = 284.21$, d.f. = 36, $p < .51$). The U.S. data contribute to 43.76% of the chi-square, compared with 56.24% for the Indian group, which is consistent with the sample size used for the analysis. Furthermore, the low modification indexes indicate that no further substantial improvement can be made in the model without sacrificing some theoretical assumptions. This enabled us to compare the fits between the restricted and the unrestricted models and to test for the moderating effect of “country” (i.e., India versus the United States). A summary of the results, which reflect mixed support for our hypotheses, appears in Figure 1.

Figure 1.
Summary of Findings: The Relationships Between Cultural Values and Marketing Ethics

![Diagram showing the relationships between cultural values and marketing ethical norms.]

Notes: Unless noted otherwise, the path coefficients are positive.
We found a significant and positive effect of the collectivism dimension of culture on all norms for both countries, except price and distribution (which was significant only for India). Uncertainly avoidance had a positive effect on both price and distribution and information and contract but only for the United States. Masculinity had a negative effect on general honesty and integrity for both countries, but it had a negative effect on obligation and disclosure and product and promotion only for India. Power distance had a negative effect on information and contract and product and promotion but only for India. Finally, long-term orientation had a positive effect on general honesty and integrity, information and contract, and product and promotion for both countries but a positive effect on obligation and disclosure only for the United States.

Advances in communication, technology, and transportation have facilitated rapid globalization, and more firms are conducting business outside their domestic borders; this has brought together business executives with different cultures, values, laws, and ethical standards. It is imperative in today’s world for multinational businesspeople to be sensitive to the values, culture, and ethical standards of other countries. Academics and practitioners around the globe have begun to realize the need for a culturally bound ethics education in business (Borkowski and Ugras 1998; Greenman and Sherman 1999).

This study focused on an important classification of the cultural issues and ethical practices that differentiate countries. We investigated the United States and India and assessed their differences along Hofstede’s (1991) dimensions. In general, we found that these countries exhibit different cultural values that lead to different interpretations of marketing ethical norms. The U.S. respondents interpreted these norms much more strictly than the Indian respondents.

Given the increasing globalization of firms and the growing interdependencies among countries, the need for a clearer comprehension of cultural influences on ethical and organizational practices has never been greater. The specific implications of these findings are as follows: Some of the marketing ethical norms can be construed and interpreted differently in India; therefore, U.S. managers must explain their expectations and underlying assumptions at the outset when conducting business internationally. The paradigm of “cultural relativism” (i.e., ethics varies from one culture to another on the basis of the business practices of the host culture) holds true, and thus firms are advised that “when in Rome, do as the Romans do.” It may be beneficial to organize training programs for managers from participating countries to develop and reinforce a formal or an informal common

Conclusions, Limitations, and Further Research
code of ethics. It may also be beneficial to establish a common understanding of this code of ethics from the perspectives of different stakeholders with diverse cultural backgrounds to minimize the chances of subsequent misunderstanding.

Our findings also challenge the conventional wisdom that managers with low collectivism, low uncertainty avoidance, high masculinity, high power distance, and low long-term orientation need to learn more about the importance of ethics in business. In reality, such a clear-cut cultural profile of a manager may not exist. It is likely that managers will exhibit different levels of cultural values, which makes it difficult to predict how they will respond to different ethical issues. Nevertheless, our research provides some understanding of the cross-cultural values across two different countries and, consequently, some ideas about how people from India and the United States may react to different marketing ethical issues.

A caveat for this study is the relatively small sample size of students and the question of genaralizability. Although we do not claim that our results are universally generalizable, they provide researchers and practitioners with a starting point. Another concern is that our findings do not exactly replicate Hofstede’s (1991) results. There may be several explanations for this, as we mentioned previously; however, we intend to measure the cultural values in different countries in future studies and compare them with Hofstede’s findings. Other factors, such as business history, the role of third parties in transactions, the pay levels of civil servants, civil and government corruption, and so forth, may also play a significant role in explaining differences in ethical practices.

Further research can also focus on investigating the cultural values in other countries and their relationships to marketing ethical norms. Although it will be difficult to match the cultural values of an individual manager and the amount and content of ethics education or training, training modules can be developed for managers from a country that intends to conduct business in another country. In both cases (i.e., culture and ethics), we used an etic perspective by assuming that the theory and constructs are universal. However, because the results show that different dimensions of the culture influence the different facets of marketing ethical norms uniquely in both countries, we suggest the use of an adaptive etic or a linked emic approach, as Douglas and Craig (2006) recommend. Furthermore, the evolution of culture is a dynamic process. It would be worthwhile to conduct a longitudinal study in which the culture values and the resulting change in the marketing ethics of a group of man-
agers from a specific country are measured and monitored over time. In addition, our study examined only two countries; an investigation of the interrelationship of cultural values and marketing ethical norms in several countries could provide valuable insights.

It has been acknowledged that cultural values may form at several levels, such as individual, organizational, industry, and national. These values and the adaptation of the ethical norms may not necessarily be identical (Donaldson and Dunfee 1999). Further research could measure cultural values at different levels and then identify whether it makes any difference in ethical decision making at corresponding levels. For example, at the individual level, Kohlberg’s (1981) theory of moral development—which holds that as people develop morally, they move through ever-widening circles of concern from themselves to peers and, ultimately, to society at large—can be tested for cross-cultural effects.

The twenty-first century may become known as the century of the “global world” (House et al. 2004), and this presents several opportunities and challenges, the most important of which include the design of multinational organizational structures and ethical marketing practices that are most appropriate to the cultures in which they will be functioning. Further cross-cultural research and the development of cross-cultural theory are needed to fill this knowledge gap.

Collectivism

• Individuals should sacrifice self-interest for the group that they belong to.

• Individuals should stick with the group even through difficulties.

• Group welfare is more important than individual rewards.

• Group success is more important than individual success.

• Individuals should consider their goals after considering the welfare of the group.

• Group loyalty should be encouraged even if individual goals suffer.

Uncertainty Avoidance

• It is important to have instructions spelled out in detail so that I know what I’m expected to do.
• It is important to closely follow instructions and procedures.
• Rules/regulations are important because they inform me of what is expected of me.
• Standardized work procedures are helpful.
• Instructions for operations are important.

Masculinity

• It is more important for men to have a professional career than it is for women.
• Men usually solve problems with logical analysis; women usually solve problems with intuition.
• Solving problems requires an active forcible approach, which is typical of men.
• There are some jobs that a man can do better than a woman.

Power Distance

• People in higher positions should make most decisions without consulting people in lower positions.
• People in higher positions should not ask the opinions of people in lower positions too frequently.
• People in higher positions should avoid interaction with people in lower positions.
• People in higher position should not delegate important tasks to people in lower positions.
• People in lower positions should not disagree with people in higher positions. (Item was omitted from the scale.)

Long-Term Orientation

• Careful management of money (thrift).
• Going on resolutely in spite of opposition (persistence).
• Personal steadiness and stability.
• Long-term planning.
• Giving up today’s fun for success in the future.

• Working hard for success in the future.

**Price and Distribution**

• All extra costs and added features should be identified.

• One should not manipulate the availability of the product for the purpose of exploitation.

• Coercion should not be used within the marketing channel.

• Undue influence should not be exerted over the resellers choice to handle a product.

• One should not engage in price fixing.

**Information and Contract**

• Information regarding all substantial risks associated with the product or service should be disclosed.

• Any product component substitution that might materially change the product or impact the buyer’s purchase decision should be disclosed.

• Outside clients and suppliers should be treated fairly.

• Confidentiality and anonymity in professional relationships should be maintained with regard to privileged information.

• Obligation in contracts and mutual agreements should be met in a timely manner.

• The practice and promotion of a professional code of ethics must be actively supported.

**Product and Promotion**

• Products and services offered should be safe and fit for their intended uses.

• Communications about products and services offered should not be deceptive.

• False and misleading advertising should be avoided.
• High-pressure manipulations or misleading sales tactics should be avoided.

• Sales promotions that use manipulation or deception should be avoided.

Obligation and Disclosure

• One should discharge one’s obligations, financial or otherwise, in good faith.

• The full price associated with any purchase should be disclosed.

• Selling or fund raising under the guise of conducting research should be avoided.

• Research integrity should be maintained by avoiding the misrepresentation and omission of pertinent research data.

General Honesty and Integrity

• One should always adhere to all applicable laws and regulations.

• One should always accurately represent one’s education, training, and experience.

• One must always be honest in serving consumers, clients, employees, suppliers, distributors, and the public.

• One should not participate in a conflict of interest without prior notice to all parties involved.

1. Adapted from the work of Yoo and Donthu (2002), based on Hofstede’s (1991) dimensions.

2. Adapted from the work of Vitell, Rallapalli, and Singhapakdi (1993).


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