

The Market Strategy of MNCs and Its Cultural Influence on Society

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1. Introduction

Market strategy has become significant in the intense contemporary competition among firms. It is a series of decision-making strategies that differentiate a firm's products from those of their competitors and allow them to acquire more customers in the market. This is no exception for Multinational Companies (MNCs), which attempt to expand into the market of various countries. In order to emphasize the uniqueness of their products and enhance their appeal to foreign markets, MNCs see culture as an important contributor. If used skillfully, MNCs' focus on culture can build strong brands and create enthusiastic customers.

The purpose of this article is to theoretically investigate how MNCs position and utilize culture in their market strategies, and to consider the cultural influence that such strategic use by MNCs might have on society. In doing so, we hope to develop new research issues concerning the relationship between the market strategies of MNCs and our society.

We will begin by identifying our preconceived notions of "culture" from a constructionist viewpoint to provide a backdrop for the rest of the article. The term "culture" has been defined by a very complicated historical process and has been adopted in various academic fields.¹ We will follow the convention defined and established by the fields of management and marketing: culture encapsulates a way of life of a specific group, including the shared values and patterns of behavior current for members.² However, we are not limited to this "cultural essentialism," which considers culture to be static, stable, and a priori, but we embrace "constructionism,"³ which emphasizes the variable and dynamic aspects of culture, namely the aspect of being constructed a posteriori by various agents.⁴

This article is constructed as follows.

Section 2 tries to describe the contemporary features of the market strategy of MNCs. It confirms that, for certain products, the symbolic or semiotic dimensions of the products become more important than their functional dimensions, and culture plays a critical role in the former dimensions.

Section 3 re-examines the concept of “influence” through the achievement of cultural studies⁵ according to Stuart Hall and through the theories of power centered on Steven Lukes to consider how such strategic conduct of MNCs can influence our society.

In Section 4, we argue the cultural influence on society by MNCs. We also stress that the role they play as an agent of constructing culture is a consequence of their market strategy.

Section 5 summarizes the argument of this article and includes further discussion.

2. Signification and Culture in the Market Strategy of MNCs

2.1 Contemporary Feature of Market Competition

As is well known, contemporary MNCs have faced intense global competition. It is difficult for MNCs to stand out from competitive products surrounded by such a rugged environment. This situation creates commoditization.⁶ Commoditization then rapidly causes unprofitable price competition for MNCs. The reasons for this encroaching commoditization consist of several interrelated factors, such as the following.

First, modularization has centered on digital products since the de facto standard for parts was established. For MNCs, the problem of procuring high quality materials or parts from the most suitable place with lower costs becomes as important as the process of manufacturing the products. The ability to combine separate module parts therefore enables MNCs to produce good quality products even if they do not have superior skills in production. In addition, as typified by fabless companies, MNCs can specialize in planning, development, marketing, and/or sales for their products by outsourcing the production process in their value chain to external organizations.

Second, many companies already satisfy the basic performance and quality of their products, which customers worldwide have come to expect. A situation where sales or benefits cannot be attained to bring back costs occurs even if companies are enthusiastic about improving performance and quality because the performance or quality of products become over-engineered and exceed quality when they reach a level beyond what is needed by customers.

Third, mature markets, the stage of competition, make MNCs get into a situation wherein they

are scrambling for a limited pie and they fall into a competition of similar products in which it is difficult to differentiate between products more than ever. As a result, factors such as market saturation, excessive quality, leveling of technology, and competition among firms are leading MNCs toward zero profitability just like gravitation pulls things to the ground.⁷

From the viewpoint of customers, when they cannot identify any clear difference between products, price becomes the most important criterion. On the other hand, from the viewpoint of companies, when they fail to distinguish their products from others, they are forced to lower their prices. Furthermore, if MNCs put effort into the improvement of their production, they still cannot succeed in differentiating their products because the quality of products has increased and many products have already reached the pinnacle of customers' expectations. It is understandable that there is an increase in consumers worldwide who think that buying goods for which they do not have a high demand at one-dollar shops (one-hundred-yen shops) is sufficient, if these goods have guaranteed the minimum quality that they require.⁸

Therefore, in addition to elementary performance and quality of products, factors that differentiate one from competitors and attract customers include inimitability, indicating that these factors are requirements for market strategy of contemporary MNCs.

2.2 Signification for Acquiring Added-Value

As we mentioned above, simply improving the functions or quality of products cannot increase customers' willingness to pay, nor can it help to avoid price competition. Symbolic dimensions now attract attention among added values. Nobeoka pointed out the importance of "capturing value,"⁹ which aims to combine manufacturing with economic value against a background of how manufacturing a product more skillfully rarely brings greater profits. He stressed that it is the "emotional value" of the product that plays a significant role in the capturing value.¹⁰ Emotional value is generated when customers subjectively attach meanings to products. In the case of consumer goods, it consists of both the self-expressional values that "are created from how customers express themselves to others through their possessions and use of goods," and the choosy values that "are engendered through consumers who are strongly particular of goods, independent of social context or what others think."¹¹

Endo proposed the premium strategy that achieves "special values" or "a little something

extra values.”¹² This strategy makes consumers want to get the product even if they have to pay more.¹³ Such values include an emotional value, that is, an invisible value that appeals to the feelings of consumers and establishes an invisible bond with creators, such as a sense of spiritual well-being when possessing the product, a pride in ownership, and sympathies for its creators,¹⁴ in addition to the functional value of having a high quality product. Moreover, emotional value includes a story that is made up from complex factors that are the history of each creator and the anecdote concerning the customer who possesses it. Thus, the feature of the premium strategy is consistent with the fusion of ultimate manufacturing and ultimate story-telling.¹⁵

Some researches focus on culture as being among the symbolic dimensions of products. Holt put forward cultural branding as a way to build strong brands that consumers enthusiastically demand and incorporate into their life.¹⁶ Further, Holt et al. asserted that the cultural background of the home country of an MNC is important in establishing a strong global brand.¹⁷ It is not just the cultural flavor of a product but rather the need to create a myth that can resolve a cultural contradiction that customers continually experience.¹⁸ Aoki stated that cultural marketing is a strategy that uses culture, and the cultural symbol is at the core of cultural marketing.¹⁹ In his assertion, the main purpose is to make a brand that strongly expresses a certain cultural value sense²⁰ and is equivalent to the symbol of the important value of culture.²¹

A key commonality of these theories is the strategic attempt to attach meaning to products. In short, they stress the importance of differentiating their product from their competitors by attributing particular meanings to it. Those meanings are original to that company, and it would be difficult for competitors to try to build the same meaning. Thus, if rivals attempt to imitate that strategy, their products are seen as “imitations.” MNCs that can attribute magnetic meanings to their products can increase the possibility of acquiring customer loyalty because consumers who prefer such products are not fascinated with the functional part of the products, but rather are attached to the meanings or stories surrounding them. If MNCs succeed in developing the product, giving it a particular meaning and differentiating it from their competitors' products, they can raise their customers' willingness to pay more, thereby avoiding commoditization and price competition.

2.3 Utilizing “Cultural Factors” and Forming a “Cultural Platform”

In signifying the process for products, culture plays two important roles: cultural factors and a cultural platform.²² The former means that culture itself is symbolized and used to give meaning to products.²³ The latter indicates a common culture of consumers who accept such products.

Utilizing cultural factors denotes a strategy that aims to use a set of cultural meanings or signs in order to make their products meaningful. To utilize cultural factors, MNCs must select several factors from their cultural background, such as nationality, ethnicity, social class, generation, and so on. In addition, they must assign values, meanings, or a story to them, combine them, and then attribute them to their product. If companies possess similar cultural backgrounds as their competitors, the companies are then divided by the market into winners and losers based on the execution of this strategy: what factors are selected from a cultural background, what meanings, story, or myth are fabricated from the selected factors, how cultural factors and meanings are combined with their products.

Harley-Davidson and Nike are fine examples of this. Their home country is America and they have a common cultural background. Harley-Davidson has created original meaning by interweaving multiple factors: the outlaw biker, the symbolic person in the form of a muscular white man with a mustache, the spirit of freedom embodied by the cowboy, or the nationalism associated with the Stars and Stripes.²⁴ On the other hand, Nike has constructed meaning by using the young black urban culture: their fashion, music, lifestyle, and physical ability.²⁵ These two companies have chosen and excluded completely different cultural factors from their common cultural background in America to achieve success.

However, it is not sufficient to simply attribute cultural factors to a product. Attributed cultural factors cannot function as “meaningful” unless customers are attracted to those cultural factors and their stories, regard them as indispensable in their lives, or have fundamental knowledge about the cultural background at the beginning. Even if the MNC selects cultural factors skillfully and constructs a compelling story or myth from them, significance is formed by a cultural platform. A cultural platform is the foundation from which cultural factors work efficiently within the framework of perception, the criterion of interpretation, and the lifestyle of the customers. We can consider that, if cultural factors were seeds, the cultural platform is the soil in which they bloom and bear fruit. The utilization of cultural factors and the formation of a cultural platform constitute the market strategy of the MNCs. As a result, these two strategies are

needed: constructing attractive cultural meanings and attributing them to products, and sharing those meanings with customers.

3. Reconsideration of the Concept of “Influence”

How can the utilization of culture in a market strategy as discussed above influence society? In order to answer that, we need to examine the concept of “influence.” Because there is no broadly accepted criterion and/or indicator, the differences in the range of analysis and the result of the discussion must arise according to how we understand the term “influence.” To avoid confusion, we will adopt the point of view proposed by Stuart Hall, a representative researcher of cultural studies.

The concept of influence has sometimes been understood as an individual's ability to switch his/her choices. Hall argued:

... the main focus was on behavioural change. If the media had ‘effects’ these, it was argued, should show up empirically in terms of a direct influence on individuals, which would register as a switch of behaviour. Switches of choice — between advertised consumer goods or between presidential candidates — were viewed as a paradigm case of measurable influence and effect. The model of power and influence being employed here was paradigmatically empiricist and pluralistic: its primary focus was the individual; it theorized power in terms of the direct influence of A on B's behaviour ...²⁶

Indeed, it is possible to identify cultural influence from this point of view. However, Hall criticized this concept of influence by using the three-dimensional model of power proposed by Lukes. We will investigate Lukes's model of power in order to make the subsequent argument smoothly.

Lukes classified the concept of power in three ways: the one-dimensional view, the two-dimensional view, and the three-dimensional view. The one-dimensional view regards power as merely require that “A can or does succeed in affecting what B does.”²⁷ The researchers that take this view tend to analyze the observable conflict. In other words, decision-making about

conflict “between preferences, that are assumed to be consciously made, exhibited in actions, and thus to be discovered by observing people's behaviour,”²⁸ is the identifiable power which the researcher recognize. The one-dimensional view, however, has an intrinsic and crucial defect that overlooks situations that are not tangible and conditions that are not clearly in conflict or an opposition.

Lukes wrote that the two-dimensional view partly succeeds in resolving this problem by introducing the concept of the “mobilization of bias.”²⁹ In other words, the two-dimensional view embraces the perspective that power is confined to the scope of decision-making within relatively harmless issues, in addition to a proposition, decision, and resolution of conflict on which the one-dimensional model focused. Thus, this model can analyze not only decision-making but also “nondecision-making” which deters or thwarts the unfavorable issues in the value or interest of the decision-maker.

However, according to Lukes, because of the partial criticism of the one-dimensional model, it makes the mistake of concentrating on “the study of overt, ‘actual behaviour’ of which ‘concrete decisions’ in situations of conflict” are made. That is,

In trying to assimilate all cases of exclusion of potential issues from the political agenda to the paradigm of a decision, it gives a misleading picture of the ways in which individuals and, above all, groups and institutions succeed in excluding potential issues from the political process.³⁰

To overcome the pitfall of the two-dimensional model, Lukes submitted the three-dimensional model. The three-dimensional model considers “the many ways in which *potential issues* are kept out of politics, whether through the operation of social forces and institutional practices or through individuals' decisions.”³¹ These potential issues may not be actualized, expressed, and conscious. Further, the three-dimensional model adopted a new concept of power that exercises “by influencing, shaping or determining his very wants.”³² Therefore, it can refer to the bias of the system that is “mobilized, recreated and reinforced in ways that are neither consciously chosen nor the intended result of particular individuals' choices,”³³ and is sustained “by the socially structured and culturally patterned behaviour of groups, and practices of institutions, which may indeed be manifested by individuals' inaction,”³⁴ which the two-dimensional model does not address. Moreover, it grasped the absence of grievance, not as the formation of consensus, but as “the possibility of false or manipulated consensus.”³⁵

Here, the present discussion turns back to the examination of the concept of influence and Hall's thesis. According to Hall, the conventional concept of influence that seems to influence the individual's switch of choice remains in the one-dimensional model. Rather, it is important to understand influence from the viewpoint of the two-dimensional model, which analyzes the process of nondecision-making, and also from the three-dimensional model, which focuses on the bias of the system.³⁶

We can understand the three-dimensional model of power as “the power to signify events in a particular way,”³⁷ if we adhere to Hall's words. This power can be interpreted as an ideological one³⁸ in the sense that it forms the “closure of the circle”³⁹ and produces “the effect of closure”⁴⁰ by signifying, classifying, framing, or justifying things and excluding other possibilities or contingencies. It is also the influence concerning the perception or cognition of customers, the formation of preference, the definition of situation,⁴¹ the production of meanings, the formation or reproduction of “common sense,” and the creation of fame, in the context of the market strategy of MNCs.

However, these ideas inevitably contain the possibility of unintended consequences and cannot be reduced to a single power, because they are formed through political processes among plural agents, as we will investigate in the next section. For this point, Hall argued:

Meanings which had been effectively coupled could also be un-coupled. The ‘struggle in discourse’ therefore consisted precisely of this process of discursive articulation and disarticulation. Its outcomes, in the final result, could only depend on the relative strength of the ‘forces in struggle,’ the balance between them at any strategic moment, and the effective conduct of the politics of signification.⁴²

4. MNCs as an Agent Constructing Culture

If we understand “influence” as investigated above, that is, we perceive the presence of influence when we not only identify the observable behavior or the switch of choice but also notice the ideological aspects of power, including the process of nondecision-making, we can consider cultural influence exerted from the market strategy of MNCs.

As we discussed in section 2, MNCs symbolize culture and attribute it to their product (the utilization of cultural factors). At the same time, they create or alter the preference, the framework of interpretation, lifestyles of customers to make their products preferable (the forming of a cultural platform). From the one-dimensional model, we judge that the influence of MNCs occurs through their market strategy only if we identify the change in observable behavior (e.g., the choice of products by customers). Influence also arises, however, as Lukes and Hall argued, when it does not appear that the action or the change is visible, or when he/she does not seem to be conscious at all. Rather, from the point of view of the three-dimensional model, influence thoroughly succeeds as if people unconsciously took it as unquestionably “real” or “fact.” With the two-dimensional view or the three-dimensional view of power, we can think of the influence occurring when a meaning is generated, the situation is defined in some form, or “common sense” is created, even if we cannot identify the influence as obvious. Influence then is not always limited to the targeted group; sometimes it is achieved broadly on society. It should be noted that we cannot exclude the possibility of having influence if the conventional framework of perception or the criterion of interpretation is “reproduced,” even though they do not change or alter.

Thus, we introduce the following research question. It is necessary to consider how profoundly MNCs strategically utilize culture in the process of competing with rival companies, taking a place in the market and winning customers. To put it in concrete terms, these questions are important: what aspect is represented, what factors are selected and attributed (or excluded), and what factor is combined with other factors in the process of signification and representation? Moreover, as a result, we need to analyze what cultural meaning is produced or reproduced, and how is the culture “influenced.”

Additionally, the cultural influence by MNCs, especially when taking the culture of the home country and using it to transform the culture of host countries, has been defined as “cultural imperialism”⁴³ that criticizes the global penetration of American culture. Therefore, the argument of this article may be misinterpreted as research that follows the conventional argument of cultural imperialism.

Yoshimi explained the discourse of cultural imperialism:

Because they fear that the diffusion of American cultural products through the mass media (for example, radio, movie, TV) uproots each local culture, the theorists criticizing cultural

imperialism belong to genealogy of the theorists of cultural industry who also fear that the mass production of American type of cultural products erodes the western tradition of culture. ... Moreover, in a series of criticism against cultural imperialism, it was multinational companies that did seem to be acting as a power exercising destructive influence on cultures that were thereby placed in a subsidiary position, in the very same way that cultural industries control the desires of the masses.⁴⁴

At the same time, Yoshimi indicated the limitations intrinsic in cultural imperialism:

In short, this argument uncritically accepts “the assumption that a manipulative effect exists in media products,” and overlooks the complicated dynamism of constructing meanings working between the strategy of cultural industries and the interpretative process of the receivers. In there, the worldwide diffusion of cultural products that American multinational companies produce is assumed to directly draw the global-scale uniformization of culture. ... The senders cannot decide the way in which the cultural products that they distribute are accepted, and ongoing globalization ... does not necessarily incur the dystopian uniformization of culture. Rather, it is just in the gap between these senders and receivers, the antagonism and compromise between multinational cultural industries and cultural consumptions, and the process of creating contradictions that the core question about globalization exists.⁴⁵

The theories of cultural imperialism are fruitful in revealing that the cultural products that MNCs yield are rudely corroding and colonizing the culture of host countries.⁴⁶ On the other hand, it also concentrates on such accusations, as Yoshimi appropriately pointed out, that the consequence of understanding the relationship between the strategy of MNCs and culture is too simple and a one-way scheme. However, culture is socially constructed, as we noted in section 3, because an ideological power is not unilaterally and forcibly exercised from a single absolute existence but is in fact constructed and effected with “multi-accentuality” among diverse agents through the political process as “the struggle for signification.”⁴⁷ This is the difference between the argument of this article and cultural imperialism.

5. Discussion

We will now briefly summarize the main points in this article. First, we confirmed the fact that the symbolic dimension of products is required in market competition, and MNCs are utilizing culture as one of various symbolic dimensions attributed to their products. Second, attributing culture to products is important and this includes strategic processes such as choosing the operating signs or images, selecting and excluding cultural factors, and creating and transforming the framework of perception or lifestyle of consumers; this strategy can be divided into creatively utilizing cultural factors and forming a cultural platform. Third, we examined the concept of “influence” by using the theories of ideological power according to Hall and Lukes. Finally, we discussed the influence of MNCs on society as one of the agents in constructing culture through their products or advertisements, based on ideological power.

The discussion of this article starts from the viewpoint that culture can be a factor in constructing added value onto products and spreads out to influence society with various agents or institutions in mind. In doing so, we can shed light not only on the economic aspect to which most research has referred but also on aspects of culture, signification, power, and politics concerning the market strategy of MNCs and the influence they have on society.

Finally, rather than a traditional conclusion, we will confirm the issues attached to conventional research.

Culture has mainly been discussed from the point of view of organizational management and human resource management in the discipline of international business. Cooperation among employees having diverse cultural backgrounds is necessary in a multinational organization. Therefore, in such disciplines, research has been conducted by studying the issue of how MNCs should resolve conflicts or communication problems arising from cultural differences within their organizations. The research on the market strategy of MNCs has been accumulated from the view of international marketing, rather than that of international business.

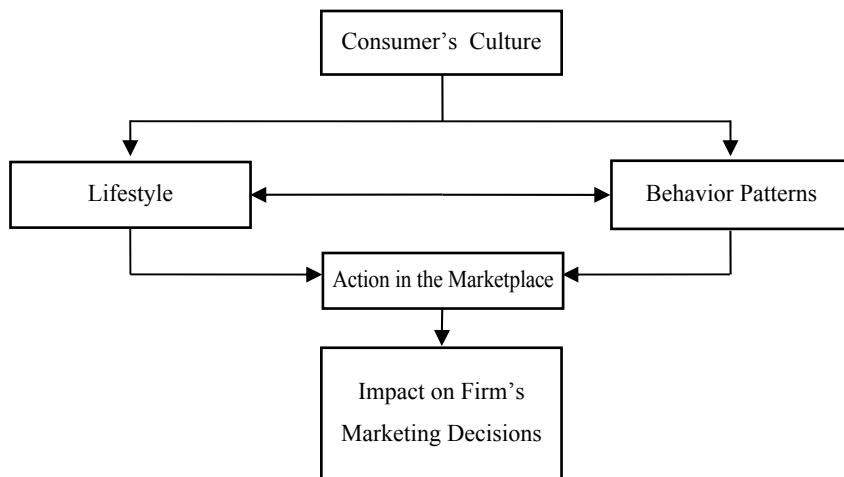
Figure 1 shows the relationship between MNCs and culture within the discipline of international marketing. A starting point is culture shared by customers of host countries. Following the arrows, customer's culture works on actual purchasing behavior in the market moving across to reflecting the actual lifestyle and behavior patterns. It eventually affects the marketing strategies of MNCs. We can interpret then that culture is positioned as a priori for MNCs in this figure. In other words, the culture of host countries works almost unilaterally from

the top to the bottom and is described as an independent variable. As this figure indicates, culture has been discussed in international marketing terms.

The differences among cultures, especially national cultures, characterize consumer behaviors in each country. Therefore, MNCs are forced to deal with problems arising from those differences. In this context, culture acts as a sort of “filter.” If MNCs slip through the filter of cultural difference when they enter the market of other countries, they could adapt their marketing strategies to that particular culture. On the other hand, if they cannot slip through, they are obligated to partly modify their marketing strategy to suit the culture of the host country.

Cultural diversity is restrictive and brings various differences to consumer behavior and forces MNCs to alter their strategies according to that diversity as theories of international marketing have argued. On the other hand, MNCs are agents who constantly transform and reproduce culture through an operation of signification or symbolization of their products as a background to cultural diversity or by forming the framework of perception, the criterion of interpretation, and the lifestyle of consumers. Using Figure 1 again, this article suggests the possibility of drawing a reverse arrow from the market strategy of MNCs at the bottom to consumer's culture at the top, and argues that consumer culture and the market strategy of MNCs “influence” each other as a result.

Figure 1: The relationship between MNCs and culture in international marketing



Source: Jain, C. S., *International Marketing*, 6th ed., South-Western Publishing, 2001, p.219.

- 1 Williams, Raymond, *Keywords: A Vocabulary of Culture and Society*, Oxford University Press, 2015, pp. 49-54.
- 2 For the research that investigates historically the concept of culture in management, see Fumihiko Iida, "Kigyō Bunkaron no Shiteki Kenkyū (1) (A Historical Review of Theories of Corporate Culture (1))," *Shogaku Ronshū*, Vol. 60, No. 1, Oct. 1991, pp. 19-51, and Fumihiko Iida, "Kigyō Bunkaron no Shiteki Kenkyū (2) (A Historical Review of Theories of Corporate Culture (2))," *Shogaku Ronshū*, Vol. 61, No. 4, Mar. 1993, pp. 61-87.
- 3 For an account of constructionism, Akagawa stated that constructionism asserts that the things that seem to be universal, essence, and real are "constructed" socially, culturally, and historically through the perception or activity of people, while objectivism means that things exist independent of the state of subjective consciousness of people, and essentialism implies that things have a universal essence that is very hard to change. (Akagawa, Manabu, "Discourse Analysis and Constructionism" in Ueno, Chizuko, ed., *Kouchikushugi Towa Nanika* (What Is Constructionism), Keisoshobo, 2001, p. 64.)
- 4 See Sato, Kenji and Shunya Yoshimi, "Bunka eno Manazashi (A Look for Culture)," in Sato, Kenji and Shunya Yoshimi, eds., *Bunka no Shakaigaku* (The Sociology of Culture), Yuhikaku, 2006, pp. 16-17, and Morris-Suzuki, T. and Shunya Yoshimi, "Globalization no Bunka Seiji (Cultural Politics of Globalization)" in Morris-Suzuki, T. and Shunya Yoshimi, eds., *Globalization no Bunka Seiji* (Cultural Politics of Globalization), Heibonsha, 2004, pp. 15-16.
- 5 For the feature of cultural studies, Yoshimi asserted that cultural studies problematize culture as being constantly reconstructed, in which power works, culture combines with economy, and there are multilayered struggles of discourses. (Yoshimi, Shunya, *Cultural Studies* (Cultural Studies), Iwanamishoten, 2000, p. 2.)
- 6 According to Onzo, commoditization means the situation that the technique of production among firms has become homogeneous, it is hard to find differences in the essential parts of products or services, and customers cannot differentiate among brands. (Onzo, Naoto, *Commodity-ka Shijō no Marketing Ronri* (The Marketing Logic of the Commoditization Market), Yuhikaku, 2007, p. 2.)
- 7 Ishii, Junzo, *Marketing wo Manabu* (Learning Marketing), Chikuma Shinsho, 2010, p. 13.
- 8 *Nihon Keizai Shimbun*, October 4, 2014, p. 6.
- 9 Nobeoka, Kentaro, *Kachidukuri Keiei no Ronri* (Theory of Management to Create Value), Nihon Keizai Shimbunsha, 2011, p. 24.
- 10 Nobeoka interprets emotional value as a broad concept that includes experiential value, spiritual value, hedonic value, and so on. (*Ibid.*, p. 112.)
Further, he wrote that emotional value is important for the products that customers find specific meanings in and they pay to enjoy the meanings rather than the function. (Nobeoka, Kentaro, "Imiteki Kachi no Souzou: Commodity-ka wo Kaihisuru Monodukuri (Creation of Premium Value in New Product: Development to Avoid Commoditization)," *Kokumin Keizai Zasshi*, December 2006, p. 6.)
- 11 Nobeoka, op. cit., pp. 142-145.
- 12 This word was originally written in Japanese and contains an English word coined in Japan: *plus alpha no kachi* (values of alpha plus).
- 13 Endo, Isao, *Premium Senryaku* (Premium Strategy), Toyo Keizai Shinposha, 2007, p. 80.
- 14 *Ibid.*, p. 82.
- 15 *Ibid.*, pp. 92-94.
- 16 See Holt, D. B., *How Brands Become Icons: The Principles of Cultural Branding*, Harvard Business School Press, 2004.
- 17 See also sentences according to Holt et al. as below:
More important, consumers expect global brands to tell their myths from the particular places that are associated with the brand. For Nestlé to spin a credible myth about food, the myth must be set in the Swiss mountains, because that is where people imagine the brand hails from. Likewise, if L'Oréal is to author a myth about beauty, it must do so from a particularly French viewpoint. (Holt, D. B., J. A. Quelch, and E. E. Taylor, "How Global Brands Compete," *Harvard Business Review*, Vol. 82, No. 9, September 2004, p. 75.)
- 18 Holt et al. stressed that MNCs must not only develop high quality products but also create cultural myth appealing to customers worldwide in order to build a strong global brand. (*Ibid.*, p. 129.)
- 19 Aoki, Sadashige, *Bunka no Chikara* (The Power of Culture), NTT Publishing, 2008, p. 114.
- 20 *Ibid.*, p. 80.
- 21 *Ibid.*, p. 117.
- 22 Seguchi, Takeshi, "Harley-Davidson no Shijō Senryaku to Bunka no Kankei (The Relationship Between the Market Strategy of Harley-Davidson and Culture)," in Masaki Hayashi, ed., *Gendai Kigyō no Shakaisei* (Sociality of Contemporary Companies), Chuo University Press, 2012, pp. 225-226.
- 23 The strategy that MNCs symbolize culture in order to attribute meanings to their products is sometimes argued in the field of competitive strategy or brand management. Porter also pointed out the importance of nationality and asserted that MNCs should utilize it. (Porter, M. E., *On Competition*, updated and expanded ed., Harvard Business School Publishing, 2008, p. 335.)
- 24 *Ibid.*, p. 250
- 25 See Klein, N., *No Logo*, Fourth Estate, 2010.
- 26 Hall, S., "The Rediscovery of 'Ideology': Return of the Repressed in Media Studies," in Gurevitch, M., T. Bennet, J. Curran, and J. Woollacot, eds., *Culture, Society and the Media*, Methuen, 1982, p. 59.
- 27 Lukes, S., *Power: A Radical View*, British Sociological Association, 2nd ed., 2005, p. 18.
- 28 *Ibid.*, p. 19.
- 29 *Ibid.*, p. 20.
- 30 *Ibid.*, p. 25.
- 31 *Ibid.*, p. 28.
- 32 *Ibid.*, p. 27.
- 33 *Ibid.*, p. 25.
- 34 *Ibid.*, p. 26.

35 *Ibid.*, p. 28.

Lukes also pointed the following:

... is it not the supreme and most insidious exercise of power to prevent people, to whatever degree, from having grievances by shaping their perceptions, cognitions and preferences in such a way that they accept their role in the existing order of things, either because they can see or imagine no alternative to it, or because they see it as natural and unchangeable, or because they value it as divinely ordained and beneficial? (*Ibid.*, p.28.)

This quotation was also cited by Hall for explaining the importance of the three-dimensional model in the concept of "influence."

36 Hall, op. cit., pp. 64-65.

37 *Ibid.*, p. 69.

38 See according to Hall as below:

... what was at issue was no longer specific message-injunctions, by A to B, to do this or that, but a shaping of the whole ideological environment; a way of representing the order of things which endowed its limiting perspectives with that natural or divine inevitability which makes them appear universal, natural, and coterminous with 'reality' itself. This movement - towards the winning of a universal validity and legitimacy for accounts of the world which are partial and particular, and towards the grounding of these particular constructions in the taken-for-grantedness of 'the real' - is indeed the characteristic and defining mechanism of 'the ideological' . (*Ibid.*, p. 65.)

39 For this point, see the sentences as below:

The effect of ideology in media messages is to efface itself, allowing the messages to appear as natural and spontaneous presentations of 'reality' . Hall talks of this phenomenon as 'the reality effect' . Not only do we generally understand reality as 'a result or effect of how things had been signified' , but also 'recognize' specific representations of reality as obvious. The circle closes, as this recognition effectively validates the representation. (Turner, G., *British Cultural Studies: An Introduction*, 3rd ed., Routledge, 2003, p. 172.)

40 This "the effect of closure" is one of the important features of ideological power. For the effect of closure, see the sentences as below:

... effects, for example, of 'closure' whereby certain forms of signification are silently excluded, and certain signifiers 'fixed' in a commanding position. These effects are discursive, not purely formal, features of language: what is interpreted as 'closure' , for example, will depend on the concrete context of utterance, and is variable from one communicative situation to the next. (Eagleton, T., *Ideology: An Introduction*, new and updated ed., Verso, 2007, p. 194.)

41 See Hall, op. cit., pp. 62-65.

42 *Ibid.*, p. 78.

43 For the discussion of cultural imperialism, see Tomlinson, J., *Cultural Imperialism: A Critical Introduction*, The Johns Hopkins University Press, 1991.

44 Yoshimi, Shunya, "Global-ka no nakano Bunkagainen (Cultural Concepts in Globalization)," in Yui, Daizaburou and Yasuo Endo, eds., *Tabunkashugi no America* (Multicultural America), University of Tokyo Press, 1999, p. 291.

45 *Ibid.*, p. 292.

46 See the sentences according to Yoshimi as below:

While conventional mass communication research has been limited to the domestic level and has argued how communicative technologies can promote modernization, development, and democratization, the criticism of cultural imperialism considered the constitution of culture in each nation to be regulated by the global political and economic structure. While the former regarded the media as a "tool" of development, the latter regarded the media as the "trap" that subordinate peripheral countries in the global dominative structure. The rise of cultural imperialism theories in the 70s, therefore, included an aspect of criticism from the perspective of the Third World against modernization theories that have been conventionally dominant. We should maintain this criticism, although we should criticize the limitations of the theories of cultural imperialism. (*Ibid.*, p. 294.)

47 For the possibility of struggle and antagonism in constructing signification, see Asami, Katsuhiko, *Shouhi, Tawamure, Kenryoku* (Consumption, Play, Power), Shakai Hyouronsha, 2002, pp. 48-50.