Chinese- and English-Language Homepages of Fortune Global 500 Companies:

A Cross-Cultural Content Analysis

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This thesis titled

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ABSTRACT

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In this thesis, the Chinese- and English-language homepages of 113 multinational companies on the *Fortune* Global 500 list were content analyzed, based on the frameworks of Hofstede’s (2001) five dimensions of national culture and Ghose and Dou’s (1998) three dimensions of interactivity. Those companies’ English homepages were found to have used indicators that suggested the level of consumer-consumer interaction significantly more often than did their Chinese counterparts. Meanwhile, inconsistent with the previous literature, Chinese homepages were found to have employed fewer indicators that suggest the level of uncertainty avoidance than did their English counterparts. English homepages were also found to have used fewer consumer-marketer interaction indicators than did Chinese ones. Results yielded weak support for prior literature, casting doubt on Hofstede’s theory. Nevertheless, more studies are needed to test this position and further explore the cultural sensitivity of individual companies’ various websites.

Approved: _____________________________________________________________

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CHAPTER 1: INTRODUCTION

In this age of globalization have emerged increasingly sophisticated communications technologies (such as the Internet) and a level of economic activity that has outgrown national markets through industrial combinations and commercial groupings that cross national frontiers (Cultural Globalization, 2010). The meeting of cross-border economic activities and the Internet has also boosted website research. Many studies have been conducted about whether transnational companies’ websites should be standardized or localized to meet the needs of corporations’ worldwide businesses (Duncan & Ramaprasad, 1995; Keegan, 1997) – in other words, whether they should be homogenous or specifically designed and constructed to appeal to their different target audiences. Increased standardization was found by comparing corporate homepages gathered in 2006 with samples collected in 1996 and 1997 (Jones, 2006). However, U.S. multinational companies had been found to have “notably low levels of standardization in textual message” (Okazaki & Skapa, 2007, p. 1241) on their Polish and Czech sites. Japanese multinational corporations were also likely to “localize their web communications through tailoring on-line creative strategies according to the target market” (Okazaki, 2003, p. 221). Generally speaking, studies have found these websites “keep an internationally standardized goal with locally tailored strategies” (Shiu & Dawson, 2004, p. 192).

As the world grows more and more connected, both unprecedented opportunities and challenges are presented to multinational companies. One of the biggest challenges is that to expand their business to different parts of the world, not only do they have to adjust selling and marketing strategies but also adapt their website presence to global
customers (Simon, 2001) because in this ever-changing age of technology and multimedia, e-commerce has become a convenient and preferable channel for businesses (Muller et al., 2008). To communicate effectively with customers and clients in their home markets and abroad, companies need to understand the important role that websites play and that “the web is about customer loyalty” (Simon, 2001, p. 19). That means customer experiences obtained through websites will directly influence their “perception, satisfaction and further purchase decision” (Simon, 2001, p. 19).

Websites, as the growing channel for business, are not only an exhibition window and effective publicity tool for the companies but also an integral business link for major cross-border companies (Sullivan, 1999). Failure to adjust websites’ designs to companies’ business objectives would produce a negative impact in such areas as product diffusion, customization, and global branding (Simon, 2001).

Therefore, to understand how well transnational companies are adapting their websites to the distinct cultures of other countries, a comparison study of Fortune Global 500 companies’ Chinese- and English-language websites was conducted for the thesis. Prior cross-cultural studies have paid great attention to the websites of different corporations from different countries (e.g., Albert-Miller & Gelb, 1996; Cho & Cheon, 2005; Cook & Finlayson, 2005; Kim et al., 2009). For instance, in a comparison of U.S. and South Korean antismoking websites, online health promotion was found to be culture-bound (Paek et al., 2009). In a study of local websites of top global brands from two groups of nations – a Western group (consisting of the United States, United Kingdom, and Germany) and an Eastern group (consisting of Japan, South Korea, and
China) – differences in visual strategies were reported (An, 2007). However, it is still largely unknown if individual transnational company’s websites are tailored to different audiences of different countries – in this case in China and the United States. If yes, how? This thesis addressed this gap by studying individual transnational company’s Chinese- and English-language homepages.
CHAPTER 2: BACKGROUND

Fortune Global 500

The *Fortune* Global 500 is an annual ranking of the largest corporations in the world (CNN Money, 2009). Starting in the 1950s, *Fortune* magazine began publishing this ranking in terms of revenue (Sklair, 1999). In 1995, *Fortune* combined previously separated industries and services into one “global scorecard” (Sklair, 1999, p. 441) and renamed the ranking the *Fortune* Global 500. Corporations are ranked by revenue, industry or country (CNN Money, 2009). For 2009, 37 countries and territories are represented in the ranking. Of the top 10 countries and territories with most Global 500 companies, United States ranked first with 140 companies and China fifth with 37. The remaining eight are Japan (68), France (40), Germany (39), United Kingdom (26), Switzerland (15), Canada (14), South Korea (14), Netherlands (12), and Spain (12) (CNN Money, 2009).

Many *Fortune* Global 500 companies have established their businesses in China. Two hundred and thirty-nine of them have an individual Chinese website, including websites targeting the Chinese mainland, Hong Kong, and Taiwan markets, in both simplified and traditional Chinese.¹ All of them have business lines or extensive business cooperation with Chinese companies, if not an individual website specifically for the Chinese market.

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¹ Traditional Chinese had been used across China until *The Scheme of Simplified Chinese* was promulgated in the Chinese mainland by the Chinese government in 1956. Since then traditional Chinese has been mostly used in Hong Kong, Taiwan, and Macau while simplified Chinese has been used in the Chinese mainland (Simplified Chinese, 2009).
Few studies have focused directly on the *Fortune* Global 500. Sklair’s (1999) research on the *Fortune* Global 500 focused on globalization. He delved into the phenomenon of globalization and the development of the global system theory, deeming transnational corporations’ practices as the key to the expansion of globalization. Sklair (2000) further studied globalization through a content analysis of 16 California-headquartered *Fortune* Global 500 companies. He found that “the idea of globalization has strong resonance for most of the California Global 500 companies” (p. 212).

Kim et al. (2009) investigated websites of 2008 *Fortune* Global 500 companies to see how they presented environmental information as well as established dialogues with their publics. Their findings showed that, with regard to environmental issues, most companies’ websites emphasized climate change and waste management and had not fully exploited the dialogic function of the websites.

**China and the United States**

Among all country-specific websites from transnational companies, Chinese and U.S. websites were examined in this study. Major reasons for focusing on the companies’ U.S. websites are: 1) The Internet was born in the United States (National Public Radio, 2009), and, therefore, websites should have been maturely developed in the market; 2) the United States has “the largest and most technologically powerful economy in the world, with the GDP of $14.27 trillion” in 2009 (CIA, 2010) and also has the largest number of companies in the *Fortune* Global 500 (140 corporations in 2009); 3) The Global Information and Technology Report 2008-2009 shows that the United States placed third in development of information and communication technology, which
confirms the United States’ “high level of technological readiness and national competitiveness” (World Economic Forum, 2009); and 4) U.S. culture is a typical Western culture (Cheng & Schweitzer, 1996).

The reasons for choosing Chinese websites are: 1) The huge Chinese market has been deemed as one of the fastest-growing and promising markets in the world today (The Economist, 2009) with 8,377 foreign investment enterprises as of June 2009 (China.Org.CN, 2009); 2) the Chinese economy has rocketed in recent years, growing to the third largest in the world (only behind the United States and Japan) since 2007 (McDonald, 2009); 3) other evidence of China’s fast-growing economy is the dramatically increased number of 37 Chinese mainland companies on the Fortune Global 500 list for 2009, as compared to 29 listed in 2008, and the fact that even during the global economic recession in 2009, China’s GDP still grew by 8.7% (CNN.com, 2010); 4) a report shows that the number of Chinese Internet users has soared to first place in the world, that late June 2009, the number had reached 338 million, up 13.4% from late 2008 and had increased by 40 million within six months (CNNIC, 2009); and 5) China is the paragon of Eastern culture (Hofstede, 2001), in which traditional Chinese philosophies such as Confucianism and Daoism have greatly influenced the Asian culture, especially Korean and Japanese cultures and have penetrated every aspect of daily life (Nadeau, 2006).

Website and Homepage

A homepage is defined as “the first page of a website” (Sullivan, 1999, p. 194). It is the default page when a web user goes to the website. In this case, if a language or
country choice has to be made as a precondition to entering Chinese- or English-language websites, then, the page that appears immediately after the language or country has been selected is considered a homepage.

As a matter of practicability and necessity, homepages rather than entire websites, were examined in this study. During interpersonal interaction, people are easily influenced by the first impression and make judgments even before they actually talk with the people who are being judged (Haig, 2007). Person-to-website interaction mirrors person-to-person interaction. For website visitors, “trust or no trust happens during visitors’ initial impressions or ‘first glance’ at a website when visitors are still unfamiliar with the vendor” (Haig, 2007). This difference suggests that website visitors evaluate the website and the company it represents within the first several seconds’ of reviewing its homepage. Research documents that “websites have less than 10 seconds to get visitors’ attention before they move on to another site” (Abrams, 2009). That is to say, web visitors decide whether to continue surfing a website or to leave it within these several seconds. Therefore, the design of homepages, compared with the entire website, is pivotal in building companies’ image and retaining customers and web visitors.
CHAPTER 3: LITERATURE REVIEW AND RESEARCH HYPOTHESES

Culture and Cultural Theory

Defining culture as a “mental software,” Hofstede (2001) pointed out that “every person carries within him or herself patterns of thinking, feeling and potential acting which were learned throughout their lifetime” (p. 2). Moreover, “culture is always a collective phenomenon, because it is at least partly shared with people who live or lived within the same social environment, which is where it is learned. It is the collective programming of the mind which distinguishes the members of one group or category of people from another” (p. 1). Due to culture’s generic and collective nature, it can be demonstrated, consciously or unconsciously, through many aspects of life. Considerable research has focused on how cultural characteristics are demonstrated through various cultural phenomena and products, such as television commercials (Albert-Miller & Gelb, 1996; Cheng & Schweitzer, 1996; Chiou, 2002; Lin, 1993, 2001; Mueller, 1987).

However, when the Internet meets culture, what happens? The results are either convergence, which means “various cultures assimilate into one culture” (Wang & James, 2005, p. 6) due to technological influence, or divergence, which means that “technology further differentiates cultures” (Wang & James, 2005, p. 7). How cultures are reshaped or reinforced by the Internet also has attracted considerable attention in the past few years (Cho & Cheon, 2005; Cook & Finlayson, 2005; Mercado et al., 2004; Singer et al., 2007; Singh & Matsuo, 2003; Spethman & Singh, 2009; Yun et al., 2008).

Zahir, Dobing and Hunter (2002) identified the difference in appearance and features of 26 national portals, noticing both convergence and divergence across cultures
on the Internet. Simon conducted a study in which 160 students representing four geographical and cultural areas – Asia, Europe, South America, and North America – completed a series of questions; the results showed that differences do exist between “cultural and gender-based perception and satisfaction with websites” (p. 33).

Shiu and Dawson (2004) compared websites’ online usage activities in Britain, Germany, Japan, and Taiwan, and found that, although the Internet has been quite successful in internationalizing overall online usage, it still succumbed to cultural forces when more online usage activities are concerned.

Hermeking (2005) suggested that a culturally well-designed website should “communicate the right information at the right place with the right layout in the right manner and in the right time, according to the culture of each of its users” (Sanchez-Franco et al., 2009, p. 597). Therefore, cultural aspects should be kept in mind when corporations are building online applications that are specifically intended for a global audience.

There have been abundant studies on culture (Albert-Miller & Gelb, 1996; Cook & Finlayson, 2005; Heine & Lehman, 1995; Hermeking, 2005). Hall’s high-context and low-context theory (1976) and Hofstede’s five cultural dimensions (2001) are most frequently mentioned in studies of cross-culture communication on the web (Marcus & Gould, 2000).

**Hofstede’s Five Dimensions of National Culture**

Hofstede (2001) argued that national cultures affected the behavior of societies and organizations. After collecting survey data about the values of people who
came from 50 countries throughout the world and who worked in subsidiaries of IBM,
Hofstede named four dimensions of culture as follows: power distance, collectivism
versus individualism, femininity versus masculinity, and uncertain avoidance (2001). A
fifth dimension was identified by Michael Harris Bond, a Canadian who lived in the Far
East for many years, and Hofstede named it “long-term versus short-term orientation” (p.
14). Therefore, a five-dimensional model of national cultural differences was established.

Hofstede’s cultural dimensions theory has been heavily used in cross-culture
studies. Albers-Miller and Gelb (1996) analyzed advertisements from 11 countries using
Pollay’s (1983) advertising appeals as coding criteria and Hofstede’s cultural dimensions
as a tool. They identified culture-reflecting appeals from those advertisements, with 10 of
30 hypotheses supported. Marcus and Gould (2000) applied Hofstede’s culture
framework to their study of user-interface designs, and they were able to identify
Hofstede’s cultural dimensions on cross-cultural communication through the web. Zahir,
Dobing and Hunter (2002) found the difference in the appearance and features of national
portals after analyzing 26 of them based on Hofstede’s dimensions of cultural variability.
Kang and Mastin (2008) used Hofstede’s framework to examine each country’s official
tourism public relations websites and how differently they delivered their website
content. They summed up the guidelines for establishing systematic public relations
strategies that may help the growth of sales on those websites.

In this study, Hofstede’s five dimensions of national culture were employed as the
theoretical basis, because though widely disputed with regards to their feasibility and
applicability in different areas (Marcus & Gould, 2000; Shiu & Dawson, 2004),
Hofstede’s cultural dimensions were still the most used theories in culture studies (Cook & Finlayson, 2005). They revealed “concrete and measurable differences” (Cook & Finlayson, 2005, p. 23) for cultures, which website design needed to exploit. Also, after reviewing 61 studies that had used Hofstede’s cultural dimensions, it was found that those studies’ results about dimensions “remained stable across populations and time periods” (Sondergaard, 1994, p. 453). Hofstede’s framework had also been proved to be a valid basis for regional difference and an effective tool for web adaption (Simon, 2001; Pavlou & Chai, 2002).

However, in this study, special attention was given to two of the five dimensions – Individualism/Collectivism and Uncertainty Avoidance. The dimension of individualism and collectivism had been, of all five dimensions, the most important difference between Western and Eastern cultures (Cohen & Avrahami, 2006; Sanchez-Franco, et al., 2009). The dimension of power distance was excluded from this study, because previous cross-cultural literature documented that the power distance could be closely related to the dimension of individualism/collectivism. For example, an individualistic culture tended to have a low power distance (Gouveia & Ros, 2000; Sanchez-Franco et al., 2008). The dimension of masculinity and femininity was regarded as having a more important role within a given culture rather than between cultures (Brousseau, 2003; Shiu & Dawson, 2004); it was, therefore, left out in this between-cultures comparison. As for the dimension of long-term and short-term orientations, it is believed not as relevant to a global company’s homepage as the dimension of uncertainty avoidance, due to the commercial nature of the homepage and the needs of a global
company to attract consumers. In short, the individualism/collectivism and uncertainty avoidance dimensions were focused upon in this study.

**Individualism/Collectivism**

Individualism pertains to “societies in which the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family” (Hofstede, 2001, p. 51). On the contrary, collectivism pertains to “societies in which people from birth onwards are integrated into strong, cohesive ingroups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty” (Hofstede, 2001, p. 51).

Ho and Chiu discussed the core idea of individualism and collectivism with examples of Chinese and U.S. cultures (Triandis, 1995). They stated that individualism and collectivism took different forms, definitions, and connotations within different countries and cultures (Triandis, 1995).

In Heine and Lehman’s examination of the vulnerability of the West and the East, they found that people from an independent Western culture believed that one was competent as an individual while people from the collectivistic culture, in other words, interdependent culture, regarded the individual as an integral part of a group rather than an independent being (Heine & Lehman, 1995).

Sanchez-Franco, et al. (2009) examined how national culture influenced people’s use of web-based learning technologies and discovered that the perceived ease of use was weighed more strongly by individualistic and weak uncertainty avoidance educators because those educators had showed a corresponding willingness to use the web.
Based on the above literature, the following hypothesis was posited:

**H1: Homepages for *Fortune Global 500* companies’ Chinese-language websites will suggest a higher level of collectivism than their English-language counterparts.**

*Uncertainty Avoidance*

According to Hofstede, uncertainty avoidance can be defined as “the extent to which the members of a culture feel threatened by uncertain or unknown situations” (Hofstede, 2001, p. 113). It is expressed through stress and need for predictability through written or unwritten rules to follow, and it describes the willingness of people from certain nations and cultures to embrace the unknown. Uncertainty avoidance was a term taken from psychology, and then it was transplanted to the cultural perspective (Ladbury & Hinsz, 2009). Hofstede’s application of this term made it one dimension by which to differentiate cultures. Studies have since demonstrated that cultures can be partially differentiated by their tolerance of uncertainty (Javidan et al., 2004; Ladbury, J. L., & Hinsz, V. B., 2009).

Heine and Lehman found that the West, represented by Canadians in their study, showed a bias of consistent optimism for all kinds of events, which indicated low uncertainty avoidance, while the East, represented by the Japanese, revealed unrealistic optimism in only one specific domain (Heine & Lehman, 1995).

Sanchez-Franco et al. (2009) found that through their interviews of European educators from various cultures, educators who were less power avoidant perceived using
web and technology as being easier, and, therefore, were more inclined to use the web-based learning technologies.

Kao (2009) explored the dimensions that affected the consumers’ trust in e-commerce, focusing on m-commerce (Mobile commerce). He found that consumers with higher uncertainty avoidance were prone to have “higher intention to transaction with a famous M-commerce vendor with a positive image” (p. 228), which meant good branding efforts, would help assure customers with high uncertainty avoidance.

From a cultural point of view, variation in uncertainty avoidance could lead to differences in preference and choices (Ladbury & Hinsz, 2009). Therefore, websites customers and stakeholders visit to make choices should address the distinct degrees of uncertainty avoidance of people from different countries and take care of the differences by specifying the websites’ contents and designs (Ladbury & Hinsz, 2009). Research from European countries revealed that the dimension of uncertainty avoidance, among all dimensions, exerted the biggest influence on users’ innovativeness, which also influenced the innovative features on websites (Steenkamp et al., 1999). Based on those findings, the following hypothesis was posited:

H2: Homepages for Fortune Global 500 companies’ Chinese-language websites will suggest a higher level of uncertainty avoidance than their English-language counterparts.

Internet, Business, and Culture

The emergence of the Internet was a creation of technology that developed primarily in the United States (National Public Radio, 2009). Corporations originally
constructed websites to offer information to address the needs mainly of their employees (Simon, 2001). As the Internet flourished, it ushered in a new way of doing business, commonly known as e-commerce. The Internet is adopted by businesses because “it significantly lowers transaction, marketing and customer service cost” (Sullivan, 1999, p. 199). “The total E-commerce spending in the United States reached $209.6 billion in 2009, in which retail E-commerce spending took $129.8 billion” (ComScore, 2009). Internet shopping in China reached 250 billion yuan ($36.6 billion) in 2009, accounting for 1.97% of all domestic retail volume (China Daily, 2009). Rapid growth in e-retail has been the norm worldwide. The popularization of electronic commerce makes websites windows through which companies communicate with their publics including customers, employees, stakeholders, and community (Tian, 2009). The Internet also has become a preferable business channel because it removes many barriers of communication with the public by eliminating the obstacles created by geography (Quelch & Klein, 1996). In fact, as the Internet and businesses developed, websites became an efficient way of doing business globally (Zahir et al., 2002, p. 211). Many companies have more than one website for their products and services. While the Internet has invented unprecedented opportunities for companies, it has also challenged them with the question of how they should leverage their Internet presence to not only obey local laws and appeal to local customers but also to connect their worldwide business operations (Quelch & Klein, 1996).

One major challenge that the Internet has brought to transnational companies is the “management of global brands and corporate name or logo identification” (Quelch &
Klein, 1996, p. 70) because brands now have distinct subsidiaries, markets, and images. While many websites provided the service of translating the websites into local language, cultural barriers remained. To avoid the cultural misunderstandings, corporations still need to familiarize themselves with local customs, trends, and laws (Quelch & Klein, 1996). In a nutshell, websites are not a culturally neutral medium; instead, they are culturally sensitive (Singh & Matsuo, 2003). Companies must assess who their web audiences are, what they need from the web, and how their needs can be met when they are customizing the websites, while also keeping in mind the need for consistency across worldwide markets.

Regarding websites’ functions, Sullivan (1999) examined corporate homepages in the United States, Germany, and Japan, concluding that the main functions of websites’ homepages are: “(1) gatekeepers, (2) uncertainty-reducing information sources, and (3) image-creating tools” (p. 194). As for how the design of websites was affected by culture, the universalism paradigm suggests that maximizing profits and reducing cost activities should be among the most important functions of homepages regardless of a cultural or historical context. Some other paradigms, such as contingency theory, indicate that creating a general image with consideration of cultural characteristics of the environment should be a goal of homepages (Sullivan, 1999). However, all in all, major homepage functions should vary across nations depending on a “difference in culture, institutions, legal regimes, and stage of development” (Sullivan, 1999, p. 202).
Websites and Branding

Among those unprecedented opportunities the Internet brings for corporations is branding. What is branding? Branding has been described as the process of “creating value through the provision of a compelling and consistent offer and customer experience that will satisfy customers and keep them coming back” (Moss et al., 2008, p. 38). Branding involves almost every aspect of business, such as advertising, logotype, brand name connotation, and customer service. As far as logotypes are concerned, branding involves the use of symbols to engage consumers with brand-related objects that stand for intended ideas, feelings, or experiences (Aaker, 1991; Kapferer, 1992; Steward, Clegg, & Bailey, 2008).

The modern branding paradigm, which emerged in 1920s, is built on two notions: abstraction and cultural engineering (Holt, 2002, p. 80). One of the earliest branding experts, Earnest Elmo Calkins, argued that manufacturers should strive to present their brands as a concrete expression of advocated social and moral ideas (Lears, 1995; Holt, 2002). Many advertisements in the past were prone to highlight products’ benefits and functional results that were directly attributed to the products themselves. Now, branding has paid more attention to the culture. It proposes that products should embody people’s ideals, such as their inspirations from life, their status in society, and their projection of themselves; these ideals are not directly attributed to but only achieved with the help of the product’s benefits. Branding now is transformed to appeal to customers’ psychological and social ideals (Heller 2000; Holt, 2002).
The postmodern branding paradigm, which emerged in the 1960s, elaborates on the modern paradigm but is still closely related to culture. It is based on the idea that brands will be more valuable if they are “cultural resources” (Holt, 2002, p. 83) to produce the self. In order to serve as valuable ingredients in producing the self, the cultural resources must be authentic so that the brand may be original. Therefore, postmodern consumer culture focuses on a particular notion of cultural authenticity. To be authentic, brands must be disinterested; they must be perceived as invented or supported by “parties without an instrumental economic agenda” (Holt, 2002, p. 83) and by people who are sincerely motivated by their inherent values, though profits and economics, to a large extent, may turn out to be the final pursuit for businesses.

The development and evolution of branding also witnessed the evolution of branding means. One major approach for modern branding is achieved through the Internet (Quelch & Klein, 1996). The Internet offers both growth and loyalty opportunities for brands, and also “represents a new channel for communication and distribution of brands” (Simon, 2001, p. 20). Web applications exert stronger influence on consumer decisions than many other marketing communications both old and new (Yun et al., 2008). Therefore, this new environment has triggered a wave of research interest in the area of Internet branding.

Internet branding is mainly concerned with corporate websites, and it involves two actions from the consumer: to revisit the websites and to recommend the websites or brands to other people, which is person-to-person communication (Muller et al., 2008). This new virtual environment acts as such a crucial part of branding that failure to make
good use of Internet branding can result in direct negative effects on the brands (Moss et al., 2008).

Muller et al. (2008) approached the relationship between website experience and brand loyalty, as well as purchase intent, through conducting surveys asking people about their opinions immediately after their visits to a particular website. They found that customers’ satisfaction and loyalty towards a brand is greatly affected by the degree of involvement and interest that customers have in the websites. Their results showed that visitors satisfied with their overall website visit were more inclined to revisit the website; to recommend the site to others; and, consequently, to exhibit a positive attitude towards the brand and a higher purchase intent.

Ha and Chan-Olmsted (2004) examined the role websites play in network branding and viewership, and reported that websites had become the ideal place to develop a relationship with the audience and a critical brand extension platform for cable networks to strengthen viewer and subscriber loyalty as well as to attract new subscribers.

Among the advantages that Internet branding carries, interactivity is often discussed. Delivering a successful online experience for various customers not only requires a well-designed website but also necessitates a good interaction between the websites and customers, so as to establish a strong brand identity with the potential to strengthen brand loyalty among the customers (Upshaw, 2001). The level of interactivity on websites is the key to convert a current visitor to a potential customer (Watson, 1996). Therefore, in this thesis, the interactivity level of Fortune Global 500 companies’
websites and how the interactivity on Chinese- and English-language websites differed were also examined.

Three dimensions of interactivity – consumer-message, consumer-marketer and consumer-consumer (Cho & Cheon, 2005) – were examined through the study. More specifically, the three-dimensional interactivity was defined in the current study as “the degrees to which consumers engage in advertising processing by actively interacting with advertising messages (consumer-message interaction), with advertisers (consumer-marketer interaction), and with other consumers (consumer-consumer interaction)” (Cho & Cheon, 2005, p. 103).

Ghose and Dou’s “forms of interactive functions” were employed as the base scheme (1998). Although their measurements could sound outdated, it still is the most comprehensive list of interactive indicators to date, which provides a comprehensive analytical framework for website studies (Cho & Cheon, 2005). After a cross-cultural study of interactivity on U.S., U.K., Japanese, and South Korean corporate websites, Cho and Cheon (2005) suggested that Western websites tend to use more consumer-message and consumer-marketer interactivity indicators, whereas the Eastern websites emphasize more consumer-consumer interactivity.

The difference in information and consumer-message interaction between the East and West can be accounted for by the cultural dimension of individualism and collectivism. People from an individualistic culture are more inclined to put their goals and benefits over those of the group or clan and take more joy in personal accomplishment (Sanchez-Franco et al., 2009). They often have unique opinions towards
things and happenings; and, relatively speaking, people who are individualistic will be more open to all kinds of messages and information and also need more access to information owing to their high personal and specific needs. Hofstede’s (2001) research showed that Western countries are more individualistic while Eastern societies are more collectivistic. Therefore, it is reasonable to assume that U.S. corporate websites are more likely to have information-searching functions to facilitate more consumer-message interaction. Hence the third hypothesis for this thesis:

**H3: Consumer-message interaction indicators will be used more frequently in the homepages of Fortune Global 500 companies’ English-language websites than in their Chinese-language counterparts.**

Consumer-marketer interactivity is defined as two-way communication between customers and marketers. The difference in Consumer-marketer interactivity between the East and West can be attributed to the power distance dimension. As mentioned in Hofstede’s cultural dimensions, the East has a higher power distance index compared to the West. That means that individuals from the East are more likely to accept the status margin and submit to authority than are Westerners. Accordingly, western websites are more desirous of bridging the power distance gap between consumers and marketers by creating more online features for two-way interaction between the two groups (Cho & Cheon, 2005). Therefore, it is reasonable to predict that U.S. corporate websites are more likely to employ consumer-marketer interaction indicators to facilitate more consumer-marketer interaction.
H4: Consumer-marketer interaction indicators will be used more frequently in the homepages of Fortune Global 500 companies’ English-language websites than in their Chinese-language counterparts.

Customer-customer interactivity, as the term suggests, refers to the interaction among customers. This interactive dimension is again related to the cultural dimension of Individualism/Collectivism. As Hofstede’s (2001) individualism/collectivism dimension suggests, people from individualistic cultures are more likely to identify themselves as independent individual beings instead of group members, and to prioritize their own interest before that of their groups. On the contrary, people from collective cultures are more likely to engage themselves in group discussions and communities. Since consumer-consumer interaction is a way to show individual identity and personal opinion, it is reasonable to assume that English-language corporate websites are more likely to have consumer-consumer interactive indicators to facilitate more consumer-consumer interaction than Chinese-language homepages. Hence H5.

H5: Consumer-consumer interaction indicators will be used more frequently in the homepages of Fortune Global 500 companies’ English-language websites than in their Chinese-language counterparts.
CHAPTER 4: RESEARCH METHOD

Sampling Method

*Fortune* Global 500 companies’ Chinese- and English-language websites were selected for this study. Whether the websites targeted Chinese or U.S. audiences was judged by the websites’ dominant language. English was the dominant language of U.S. websites while Chinese dominated websites targeted to the Chinese market. When the language option of “English” or country option of “United States” was selected, the corresponding websites were considered as websites for U.S. audiences. If the website specifically labeled for the United States was not available, the companies’ generic English websites were regarded as U.S. websites. Chinese websites should be in Chinese no matter if in traditional or simplified Chinese. This meant that websites targeting the Chinese mainland, Hong Kong, and Taiwan were all considered. “Although these three societies differ in socioeconomic standards and also in political ideologies, they bear a common ethnic heritage and use the same language” (Chiou, 2002, p. 219).

If separate websites for Mainland China, Hong Kong, and Taiwan all existed, the priority was given to the website for Mainland China considering the size of the market. The Hong Kong website was counted when the website for Mainland China was not available, and the Taiwan website was counted if neither the Mainland China website nor the Hong Kong website was available. The Hong Kong website was considered before the Taiwan website because most corporations whose Mainland China websites were not available in this study had Hong Kong websites. Also, if a website was said to target Asia and its language was Chinese, the website was still examined in this study because China
was part of its target market and the use of the Chinese language meant the Chinese audience comprised a significant part of its target market. Therefore, the website was worthy of study.

Additionally, the Chinese website was an independent website rather than merely a Chinese section or a web page under the English website. The difference between a Chinese website and a Chinese section of an English website was that the Chinese section was usually just a page introducing business development in China, rather than a website consisting of expandable menu bars and buttons that introduced visitors to various aspects of the corporation. Also, Chinese sections were affiliated with the English website while Chinese websites were independent.

All *Fortune* Global 500 companies’ websites were reviewed from February 10 to February 25, 2010 to see whether they have both Chinese- and English-language websites or have just one of the two.

**Sampling Procedure**

In this analysis of *Fortune* Global 500 companies’ Chinese and U.S. websites, those companies that had both Chinese and English websites were selected through a two-step procedure. First, those companies in the *Fortune* global 500 list that had websites targeting both Chinese and U.S. audiences were identified. U.S. websites were recognized through the Google search engine. U.S. websites’ URLs usually end with “/us.” They also showed up by choosing “United States” in country options if a global website was available. If the option “United States” was not available, the global website in English was considered the U.S. website. Chinese websites were found either by
clicking the country option of “China” on the global website, or by searching in Google with the key words of the company name and “中国,” the two Chinese characters standing for “China.” For instance, if one would like to search Walmart’s Chinese website, one should type “Walmart 中国”, and then go through the results from the top because “search engines list sites in the order of the web page most visited by users or the web page that corresponds best to the key words” (Paek et al., 2009, p. 39). Then, Walmart’s Chinese website will appear if it has one (see Appendix C). Usually, after logging onto Chinese websites, one will check the homepage URL to make sure that it is the right Chinese website. It usually has “cn,” “hk” or “tw” at the end of the URL, and the dominant language is Chinese.

Unit of Analysis

The unit of analysis was the homepage of Fortune Global 500 companies’ Chinese and U.S. websites. A preliminary examination found 235 companies with both Chinese and U.S. websites. Half of these, 117 companies, were sampled for this study. By flipping a coin, the second item in the list was randomly selected as the starting point, and every other eligible company website in the sequence was examined.

Measurement

Two coding schemes were employed in this study. The coding scheme for comparing cultural characteristics included two cultural dimensions: (1) collectivism; (2) uncertainty avoidance. The indicators that comprised each category were adopted from previous content analysis studies (Singh & Baack, 2004) (see Appendix B). Another coding scheme was to examine the three dimensions of interactivity – consumer-message
interactivity, consumer-marketer interactivity, and consumer-consumer interaction.

Ghose and Dou’s (1998) “forms of interactivity functions” below were used as the basis for this scheme.

- Consumer-Message Interaction

  Keyword search
  Personal choice helper
  Virtual reality display
  Dealer locator
  Multimedia shows
  Software downloading
  Games; Online games
  Electronic coupon
  Sweepstakes/prize
  Interactive newsletters

- Consumer-Marketer Interaction

  Online order
  Order status tracking
  Online problem diagnostics
  Electronic-form inquiries comment feedback
  Product survey
  Online discussion with sales representatives

- Consumer-Consumer Interaction
Online community

Online chatting with other customers

Intercoder Reliability

All the three coders, including the author, for this study are native-Chinese graduate students in a journalism program at a midwestern university, who are fluent in both Chinese and English. Having taken content analysis courses, all have received basic training on coding. They were first briefed on the codebook and the coding sheet. Then they practiced on five sample homepages to become familiar with the coding scheme. They communicated any problems in their coding with the researcher. After the practice, they independently coded 20 pairs of homepages, about 15% of the sample. Finally, inter-coder reliability was checked by using percentage of agreement.

Inter-coder reliability, based on percentage of agreement among the author and two other coders, ranged from a low of 85.47% to a high of 100% for an overall inter-coder reliability of 92.84%. The inter-coder reliability is satisfactory (Riffe, Lacy, & Fico, 2005).

After the inter-coder reliability test, six variables were discarded because they were not present in the pretest sample. Therefore, a coding sheet of 34 variables was finalized for the sample coding (see Appendix B).
CHAPTER 5: FINDINGS

In this study, 117 Fortune Global 500 companies were sampled, and 113 companies’ Chinese- and English-language homepages were content analyzed. The websites for the remaining four companies were discarded from the database, because they were not accessible during coding.

Overall, this study found only one of the five hypotheses was supported by the results. That is, Fortune Global 500 companies’ English-language homepages would use more consumer-consumer interactivity indicators than their Chinese-language homepages (H5). All the other four hypotheses, which were about dimensions of collectivism (H1), uncertainty avoidance (H2), consumer-message interaction (H3), and consumer-marketer interaction (H4), respectively, were either partially or completely refused. In this section, detailed findings of this study were reported.

Collectivism

For the dimension of collectivism, eight indicators were identified on both Chinese- and English-language homepages. Although no statistically significant differences were found among several indicators used, “country specific news” ($\chi^2 = 25.37$, df = 1, $p < .001$) and “symbols and pictures of national identity” ($\chi^2 = 13.21$, df = 1, $p < .001$) were used more often in the Chinese homepages than in their English counterparts at a statistically significant level in the predicted direction (see Table 1). H1 that predicted Fortune Global 500 companies’ Chinese homepages would use more collectivism-related indicators than would the English homepages was partially supported (see Table 1).
Table 1

<table>
<thead>
<tr>
<th>Collectivism Indicators</th>
<th>Chinese Freq. (%)</th>
<th>English Freq. (%)</th>
<th>χ² Values df=1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community relations</td>
<td>53 (46.9)</td>
<td>45 (39.8)</td>
<td>ns</td>
</tr>
<tr>
<td>Clubs or chat rooms</td>
<td>17 (15.0)</td>
<td>30 (26.5)</td>
<td>4.54 *</td>
</tr>
<tr>
<td>Newsletter</td>
<td>22 (19.5)</td>
<td>27 (23.9)</td>
<td>ns</td>
</tr>
<tr>
<td>Family theme</td>
<td>38 (33.6)</td>
<td>27 (23.9)</td>
<td>ns</td>
</tr>
<tr>
<td>Country specific news</td>
<td>57 (50.4)</td>
<td>21 (18.6)</td>
<td>25.37***</td>
</tr>
<tr>
<td>Symbols of national identity</td>
<td>34 (30.1)</td>
<td>12 (10.6)</td>
<td>13.21***</td>
</tr>
<tr>
<td>Loyalty programs</td>
<td>11 (9.7)</td>
<td>10 (8.8)</td>
<td>ns</td>
</tr>
<tr>
<td>Links to local websites</td>
<td>99 (87.6)</td>
<td>97 (85.8)</td>
<td>ns</td>
</tr>
</tbody>
</table>

* p < .05; *** p < .001; ns: not significant

Uncertainty Avoidance

As shown in Table 2, seven indicators for the uncertainty avoidance dimension were identified. The differences in the uses of “security” indicator ($\chi^2 = 10.42$, df = 1, p < .001) and the “toll free numbers” indicator ($\chi^2 = 7.14$, df = 1, p < .01) were statistically significant. However, only the “toll free numbers” indicator worked in the predicted direction. Moreover, the differences in the use of other uncertainty avoidance-related
indicators were not statistically significant. **H2** that suggested *Fortune* Global 500 companies’ Chinese-language homepages would demonstrate a higher level of uncertainty avoidance than their English-language counterparts was largely rejected.

**Table 2**

*Uncertainty Avoidance Indicators on Chinese- and English-language Homepages*

<table>
<thead>
<tr>
<th>Uncertainty Avoidance Indicators</th>
<th>Chinese</th>
<th>English</th>
<th>(\chi^2) Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer service</td>
<td>42 (37.2)</td>
<td>40 (35.4)</td>
<td>ns</td>
</tr>
<tr>
<td>Security</td>
<td>63 (55.8)</td>
<td>86 (76.1)</td>
<td>10.42 ***</td>
</tr>
<tr>
<td>Guided navigation</td>
<td>113 (100)</td>
<td>112 (99.1)</td>
<td>ns</td>
</tr>
<tr>
<td>Tradition theme</td>
<td>9 (8.0)</td>
<td>9 (8.0)</td>
<td>ns</td>
</tr>
<tr>
<td>Local stores</td>
<td>37 (32.7)</td>
<td>42 (37.2)</td>
<td>ns</td>
</tr>
<tr>
<td>Free trials or downloads</td>
<td>25 (22.1)</td>
<td>21 (18.6)</td>
<td>ns</td>
</tr>
<tr>
<td>Toll free numbers</td>
<td>23 (20.4)</td>
<td>9 (8.0)</td>
<td>7.14**</td>
</tr>
</tbody>
</table>

**p < .01; *** p < .001; ns: not significant**

**Consumer-Message Interaction**

For the dimension of consumer-message interaction, 10 indicators were identified. **H3** suggested that consumer-message interaction indicators would be used more...
frequently in *Fortune* Global 500 companies’ English-language homepages than in their Chinese-language counterparts. Results showed that 82.3% of the English-language homepages analyzed used the “keyword search” indicator, whereas only 77% of Chinese-language homepages did so. The difference is statistically different in the predicted direction. ($\chi^2 = 6.06$, df = 1, p < .05) (see Table 3). Since this statistically significant difference is the only one of the 10 indicators for the consumer-message interaction, H3 is largely rejected.
### Table 3

*Consumer-Message Interaction Indicators on Chinese- and English-language Homepages*

<table>
<thead>
<tr>
<th>Consumer-Message Interaction Indicators</th>
<th>Chinese Freq. (%)</th>
<th>English Freq. (%)</th>
<th>(\chi^2) Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>N=113</td>
<td></td>
<td></td>
<td>df=1</td>
</tr>
<tr>
<td>Keyword search</td>
<td>77 (68.1)</td>
<td>93 (82.3)</td>
<td>6.08 *</td>
</tr>
<tr>
<td>Personal choice helper</td>
<td>38 (33.6)</td>
<td>32 (28.3)</td>
<td>ns</td>
</tr>
<tr>
<td>Virtual reality display</td>
<td>4 (3.5)</td>
<td>4 (3.5)</td>
<td>ns</td>
</tr>
<tr>
<td>Dealer locator</td>
<td>37 (32.7)</td>
<td>42 (37.2)</td>
<td>ns</td>
</tr>
<tr>
<td>Multimedia shows</td>
<td>81 (71.7)</td>
<td>78 (69.0)</td>
<td>ns</td>
</tr>
<tr>
<td>Software downloading</td>
<td>6 (5.3)</td>
<td>4 (3.5)</td>
<td>ns</td>
</tr>
<tr>
<td>Games; Online games</td>
<td>4 (3.5)</td>
<td>6 (5.3)</td>
<td>ns</td>
</tr>
<tr>
<td>Electronic coupon</td>
<td>1 (0.9)</td>
<td>2 (1.8)</td>
<td>ns</td>
</tr>
<tr>
<td>Sweepstakes/prize</td>
<td>20 (17.7)</td>
<td>27 (23.9)</td>
<td>ns</td>
</tr>
<tr>
<td>Interactive newsletters</td>
<td>19 (16.8)</td>
<td>27 (23.9)</td>
<td>ns</td>
</tr>
</tbody>
</table>

* p < .05; ns: not significant

### Consumer-Marketer Interaction

Six indicators were coded at the level of consumer-marketer interaction on Chinese-language and English-language homepages. H4 proposed that consumer-marketer interaction indicators would be used more frequently in *Fortune* Global 500
companies’ English-language homepages than in their Chinese-language counterparts. Of
the six indicators for the consumer-marketer interaction, the differences between Chinese-
language and English-language homepages were all statistically insignificant (see Table 4). H4 is, therefore, rejected.

Table 4

| Consumer-Marketer Interaction Indicators on Chinese- and English-language Homepages |
|----------------------------------|----------------------------------|-----------------|
|                                   | Chinese                          | English         | χ² Values       |
| Consumer-Marketer Interaction Indicators | Freq. (%)          | Freq. (%)          | df=1            |
| Online order | 14 (12.4) | 19 (16.8) | ns              |
| Order status tracking | 4 (3.5) | 7 (6.2) | ns              |
| Online problem diagnostics | 3 (2.7) | 7 (6.2) | ns              |
| Electronic-form feedback | 20 (17.7) | 14 (12.4) | ns              |
| Product survey | 6 (5.3) | 1 (0.9) | ns              |
| Discussion with sales | 5 (4.4) | 2 (1.8) | ns              |

ns: not significant
Consumer-Consumer Interaction

As reported in Table 5, two indicators – online community and chatting with other customers – were identified for the consumer-consumer interaction. While 20.4% of the English-language homepages featured online community interactions, only 4.4% of the Chinese-language homepages did so. The difference is statistically significant ($\chi^2 = 13.21; \text{df} = 1; p < .001$). Similarly, while 16.8% of the English-language homepages used chatting with other consumers as a way of online interaction, only 1.8% of the Chinese-language homepages did so. The difference is also statistically significant ($\chi^2 = 15.17; \text{df} = 1; p < .001$) (see Table 5). H5 that predicts consumer-consumer interaction will be used more frequently in the homepages of Fortune Global 500 companies’ English-language websites than their Chinese counterparts is supported.
Table 5

*Consumer-Consumer Interaction Indicators on Chinese- and English-language Homepages*

<table>
<thead>
<tr>
<th>Interaction Indicators</th>
<th>Chinese Freq. (%)</th>
<th>English Freq. (%)</th>
<th>$\chi^2$ Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer-Consumer</td>
<td>N=113</td>
<td>N=113</td>
<td></td>
</tr>
<tr>
<td>Online community</td>
<td>5 (4.4)</td>
<td>23 (20.4)</td>
<td>13.21***</td>
</tr>
<tr>
<td>Chatting with other customers</td>
<td>2 (1.8)</td>
<td>19 (16.8)</td>
<td>15.17 ***</td>
</tr>
</tbody>
</table>

*** $p < .001$

In this study, Spearman’s Rho was also run to see if there is an association between the frequency rankings of the indicator used on those Chinese- and English-language homepages analyzed. The following part of this section of the thesis is a report on those findings.

Collectivism

A Spearman’s Rho was run to see whether there was a correlation between the frequency rankings of collectivism-related indicators on Chinese-language homepages and English-language homepages. A moderate, statistically insignificant correlation was found ($Rho (6) = .527, p = .18, ns$) (see Table 6), which indicated that the collectivism-related indicators on the Chinese- and English-language homepages were not
significantly related, yet that the frequency rankings on both websites did share some similarities.

Table 6

<table>
<thead>
<tr>
<th>Collectivism</th>
<th>Chinese</th>
<th>English</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loyalty programs</td>
<td>11 (1)</td>
<td>10 (1)</td>
</tr>
<tr>
<td>Clubs or chat rooms</td>
<td>17 (2)</td>
<td>30 (6)</td>
</tr>
<tr>
<td>Newsletter</td>
<td>22 (3)</td>
<td>27 (4.5)</td>
</tr>
<tr>
<td>Symbols of national identity</td>
<td>34 (4)</td>
<td>12 (2)</td>
</tr>
<tr>
<td>Family theme</td>
<td>38 (5)</td>
<td>27 (4.5)</td>
</tr>
<tr>
<td>Community relations</td>
<td>53 (6)</td>
<td>45 (7)</td>
</tr>
<tr>
<td>Country specific news</td>
<td>57 (7)</td>
<td>21 (3)</td>
</tr>
<tr>
<td>Links to local websites</td>
<td>99 (8)</td>
<td>97 (8)</td>
</tr>
</tbody>
</table>

Spearman’s Rho = .527, df = 6, p = .18

Uncertainty Avoidance

A Spearman’s Rho was run to see if there was a correlation between the frequency rankings of uncertainty avoidance-related indicators on Chinese-language and
English-language homepages. A strong, statistically significant correlation was found (Rho (5) = .955, p = .001) (see Table 7), which meant there was a significant association between how frequently these uncertainty avoidance-related indicators were used on Chinese- and English-language homepages, and that the frequency rankings on both websites were very similar.

Table 7

<table>
<thead>
<tr>
<th>Uncertainty Avoidance</th>
<th>Chinese</th>
<th>Freq. (Ranks)</th>
<th>English</th>
<th>Freq. (Ranks)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N=113</td>
<td></td>
<td>N=113</td>
<td></td>
</tr>
<tr>
<td>Tradition theme</td>
<td>9 (1)</td>
<td>9 (1.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toll free numbers</td>
<td>23 (2)</td>
<td>9 (1.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free trials or downloads</td>
<td>25 (3)</td>
<td>21 (3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local stores</td>
<td>37 (4)</td>
<td>42 (5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer service</td>
<td>42 (5)</td>
<td>40 (4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td>63 (6)</td>
<td>86 (6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guided navigation</td>
<td>113 (7)</td>
<td>112 (7)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Spearman’s Rho = .955, df = 5, p = .001
Consumer-Message Interaction

A Spearman’s Rho was run to see if there was a correlation between the frequency rankings of consumer-message interaction-related indicators on Chinese- and English-language homepages. A strong, statistically significant correlation was found (Rho (8) = .945, p = .000) (see Table 8), suggesting a significant association between how often these consumer-message interaction-related indicators were used on Chinese- and English-language homepages, and that the frequency rankings on both websites were very similar.
### Table 8

**Correlation of Consumer-Message Interaction Indicators on Chinese- and English-language Homepages**

<table>
<thead>
<tr>
<th>Consumer-Message</th>
<th>Chinese</th>
<th>English</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Freq. (Ranks)</td>
<td>Freq. (Ranks)</td>
</tr>
<tr>
<td></td>
<td>N=113</td>
<td>N=113</td>
</tr>
<tr>
<td>Electronic coupon</td>
<td>1 (1)</td>
<td>2 (1)</td>
</tr>
<tr>
<td>Virtual reality display</td>
<td>4 (2.5)</td>
<td>4 (2.5)</td>
</tr>
<tr>
<td>Games; Online games</td>
<td>4 (2.5)</td>
<td>6 (4)</td>
</tr>
<tr>
<td>Software downloading</td>
<td>6 (4)</td>
<td>4 (2.5)</td>
</tr>
<tr>
<td>Interactive newsletters</td>
<td>19 (5)</td>
<td>27 (5.5)</td>
</tr>
<tr>
<td>Sweepstakes/prize</td>
<td>20 (6)</td>
<td>27 (5.5)</td>
</tr>
<tr>
<td>Dealer locator</td>
<td>37 (7)</td>
<td>42 (8)</td>
</tr>
<tr>
<td>Personal choice helper</td>
<td>38 (8)</td>
<td>32 (7)</td>
</tr>
<tr>
<td>Keyword search</td>
<td>77 (9)</td>
<td>93 (10)</td>
</tr>
<tr>
<td>Multimedia shows</td>
<td>81 (10)</td>
<td>78 (9)</td>
</tr>
</tbody>
</table>

Spearman’s $Rho = .945$, df = 8, $p = .000$

### Consumer-Marketer Interaction

A Spearman’s Rho was run to see if there was a correlation between the frequency rankings of consumer-marketer interaction-related indicators on Chinese- and English-language homepages. A moderate, statistically insignificant correlation was
found (Rho (4) = 0.456, p = .364, ns) (see Table 9), suggesting that how often those consumer-marketer interaction indicators were used on Chinese- and English-language homepages were not significantly related, and yet that the frequency rankings on both websites did share some similarities.

Table 9

*Correlation of Consumer-Marketer Interaction Indicators on Chinese- and English-language Homepages*

<table>
<thead>
<tr>
<th>Consumer-Marketer</th>
<th>Chinese Freq. (Ranks)</th>
<th>English Freq. (Ranks)</th>
<th>N=113</th>
<th>N=113</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online problem diagnostics</td>
<td>3 (1)</td>
<td>7 (3.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Order status tracking</td>
<td>4 (2.5)</td>
<td>7 (3.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discussion with sales representatives</td>
<td>5 (2.5)</td>
<td>2 (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product survey</td>
<td>6 (4)</td>
<td>1 (1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online order</td>
<td>14 (5)</td>
<td>19 (6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronic-form feedback</td>
<td>20 (6)</td>
<td>14 (5)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Spearman’s *Rho* = .456, df = 4, p = .364
CHAPTER 6: DISCUSSION AND CONCLUSION

In this study, the sensitivity of *Fortune* Global 500 companies’ websites to cultural differences was investigated. The results reported above suggest that, although Hofstede’s cultural dimension has been examined repeatedly on websites of companies from different countries (Albert-Miller & Gelb, 1996; Marcus & Gould, 2000; Zahir Dobing & Hunter, 2002; Kang & Mastin, 2008), there is still a significant lack of cultural sensitivity on individual companies’ websites in different languages – here, in Chinese and English. The results of this study documented that only one of the five hypotheses proposed was fully supported, with the other four either partially or completely rejected. However, although there were not significant differences between the use of indicators related to collectivism, uncertainty avoidance, consumer-message interaction, and consumer-marketer interaction on Chinese- and English-language homepages, there were associations between the frequency rankings of various indicators. Results showed that the rankings of indicators within dimensions of uncertainty avoidance (Rho (5) = .955, p = .001) and consumer-message interaction (Rho (8) = 0.945, p = .000) dimensions on Chinese- and English-language homepages were strongly correlated, which meant that little differences exist between frequency rankings of uncertainty avoidance and consumer-message interaction indicators on Chinese- and English-language homepages.

Conclusion

The weak support this study’s findings lent to Hofstede’s (2001) cultural dimensions may suggest the current status of collectivism, uncertainty avoidance, and three interaction levels on Chinese- and English-language homepages. Cultures are
drastically changing due to cultural exchanges deepened by internationalization and globalization (Cowen, 2002). For instance, while traditional Chinese culture was regarded as collectivistic and U.S. culture as individualistic, the individualistic element has been preferred more and more, because people, especially those in workplaces, have becoming increasingly flexible to changes (Robert, 2010). Consequently, in the business industry, the individualistic approach would be favored in the global arena rather than the collectivistic approach (Robert, 2010).

Secondly, while companies from different countries were adjusting their Internet presence to different consumers, individual companies on Fortune Global 500 list were prone to retain coherence, control and consistency of their different websites for different audiences rather than to customize their websites for different customers. During coding, the author noticed that many companies had the language-selection function on websites, and therefore their websites for different countries were simply word-for-word translations from one language into another without additional changes in website content that could be more culturally appropriate or relevant to the target audience.

Thirdly, for Hofstede’s (2001) cultural dimensions to be applicable, the study objects had to meet certain conditions (Ladbury & Hinsz, 2009). For instance, at least one country studied had to be among those countries in Hofstede’s research in order to fit into the framework (Itim International). Research had found that Hofstede’s (2001) cultural dimensions, especially the uncertainty avoidance dimension, worked best within “appropriate contexts” (Ladbury & Hinsz, 2009, p. 188), because “uncertainty avoidance
is much more useful in predicting behavior in gain-framed situations\(^2\) than in loss-framed situations\(^3\) (Ladbury & Hinsz, 2009, p. 190). Therefore, even though the Chinese culture might still be more collectivistic on the whole than the U.S. culture, this does not mean that there is no place for the prevalence of individualism in the Chinese society today (Ladbury & Hinsz, 2009, p. 188).

Furthermore, the findings of this thesis suggest that Hofstede’s (2001) cultural dimensions as theoretical framework, initially published almost 30 years ago, might have become outdated to some extent (Hofstede, 2001; Gevorgyan & Porter, 2008). Evidence of this gap between Hofstede’s (2001) theoretical framework and its applicability to contemporary media studies is evident in the conclusions about uncertainty avoidance in the United States, Mexico, and Canada, as they were not supported by the research of marketing strategies’ change in accordance with the changing cultures (Gevorgyan & Porter, 2008). Therefore, national cultures were changing in the United States, Canada, and Mexico, “as well as most other countries around the world” (Gevorgyan & Porter, 2008, p. 161), such as China, as the findings of this thesis have revealed. Consequently, this thesis indicates a fundamental need for theoretical frameworks that are grounded in contemporary economic, social and political history, which are reflective of the cultural changes in both the West and East.

However, the hypothesis of consumer-consumer interaction dimension was supported. The reason for this significant difference might be that the two indicators

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\(^2\) Gain-framed situations mean “situations where sure rewards rather than gambles for potential greater rewards are framed” (Ladbury & Hinsz, 2009).

\(^3\) Loss-framed situations mean “situations where risks and uncertain outcomes are framed” (Ladbury & Hinsz, 2009).
coded for this interaction often appeared on English-language homepages in forms of new media such as Facebook and Twitter. However, Chinese audiences could not have access to either Facebook or Twitter. As a result, Chinese-language homepages used fewer of these applications. Therefore, this finding also suggests that consumer-consumer interaction was also closely related with the development of websites’ interaction with new media. In this case, the result that English-language homepages had a higher level of consumer-consumer interaction was more understandable, because differences in technological development in countries also affect website development (Singh & Baack, 2004).

The study explored the Internet’s sensitivity to cultural differences from a new perspective. However, results did not support conclusions drawn from previous studies in the existing literature. As suggested in previous research, websites for Chinese-language homepages were expected to show a higher level of collectivism and uncertainty avoidance since these cultural dimensions were two major characteristics of Chinese culture (Hofstede, 2001). However, this study showed that individual companies’ websites for different audiences from different countries were not as culturally sensitive as websites of different companies headquartered in different countries. Instead, results suggested a picture of insignificantly different employment of various indicators on Chinese- and English-language homepages.

Limitations

This study has a few limitations. The first limitation lies in the coding scheme. Research objects in this study were homepages of websites. However, coding schemes
used in this study had been used to examine entire websites rather than mere homepages. Although it did not affect the results since the focus of the study is on the comparison between Chinese and U.S. websites, coding schemes intended for homepages for the sake of accuracy would be preferable.

Secondly, the results of this study are limited in their scope. All being *Fortune* Global 500 companies, their websites were not equally developed. However, the subjects selected for analysis were chosen on the basis of company rankings regardless of the industry and product category. Therefore, if companies could also have been categorized by other categories, such as country of headquarters, industry or product category, more specific and pertinent results could have been obtained about the differences of their Chinese- and English-language homepages.

Thirdly, website design is “beyond cultural reason and communication styles” (Sanchez-Franco et al., 2009, p. 597). It involves a high degree of complexity and is influenced by various social and cultural factors (Sanchez-Franco et al., 2009), and thus cannot be thoroughly studied through merely examining the presence of several indicators. Due to the exploratory nature of this study, the inconsistency between its findings and the existing literature indicates that more thorough investigations of cultural and global websites should be conducted. For instance, after identifying those *Fortune* Global 500 companies with and without significantly different Chinese- and English-language homepages, researchers could focus on each group of companies, and probe into the relationship between companies’ performances of cultural sensitivity and their sales figures to see if a correlation between them exists; or researchers could also focus
on several groups consisting of two competing companies from a same industry – one of them having significantly different Chinese- and English-language homepages and the other not – and look into the relationship between companies’ performance of cultural sensitivity and their sales figures and market share to see if there is a correlation between them. To go further, researchers might even conduct surveys on both different and standardized websites among Chinese and U.S. web-goers to see how alienated them are, and whether the similarity of Chinese- and English-language websites causes problems. With these further researches, *Fortune* Global 500 companies could have benefited more at a practical level through adopting corresponding measures and adjustments to their websites in accordance to those findings.

Despite the limitations, this study makes a valuable contribution to existing literature as it suggests the urgency to develop a new perspective to conduct cross-cultural study, which should be reflective of the impacts of global changes, such as the current economic rise of China in the world and technological development. Future studies of China and the United States, as well as other nations in both the West and the East, should reflect the drastic socio-political and economic changes that have occurred throughout the world in the past quarter century.
REFERENCES


APPENDIX A: CODEBOOK

This codebook provides operationalization for all variables to be coded in this study.

**V1 Country**
This variable refers to the specific country that the website is targeting, judging from the dominant language on the website.

**V2 to V9**
These variables represent various Collectivism related indicators present anywhere on the homepage. They can be in forms of menu bar, links, news scrolls, announcements, text content, flash presentations or even a video (that opens on the home page itself instead of opening another page or popping out a new window).

- **V2 Community relations**: Presence or absence of community policy, giving back to community, social responsibility policy.
- **V3 Clubs or chat rooms**: Presence or absence of members club, product-based clubs, chat with company people, chat with interest groups, message boards, discussion groups, and live talks.
- **V4 Newsletter**: Online subscriptions, magazines, and newsletters.
- **V5 Family theme**: Pictures of family, pictures of teams of employees, mention of employee teams and emphasis on team and collective work responsibility in vision statement or elsewhere on the homepage, and emphasis on customers as a family.
- **V6 Country specific news**: News of that particular country, news archives, and highlights of country happenings.
- **V7 Symbols and pictures of national identity**: Flags, pictures of historic monuments, pictures reflecting uniqueness of the country, country-specific symbols in form of icons, and indexes.
- **V8 Loyalty programs**: Frequent miles programs, customer loyalty programs, and company credit cards for specific country, special membership programs.
- **V9 Links to local websites**: Links to country locations, related country-specific companies, and other Websites from a particular country.

**V10 to V16**
These variables represent various Uncertainty Avoidance related indicators present anywhere on the homepage. They can be in forms of menu bar, links, news scrolls,
announcements, text content, flash presentations or even a video (that opens on the home page itself instead of opening another page or popping out a new window).

**V10** Customer service: FAQ’s, customer service option, customer help, customer contact or customer service e-mails.

**V11** Security: Secure lock logo, endorsements from Verisign or Better Business Bureau, privacy policy, security policy, and product return policy.

**V12** Guided navigation: Site maps, well-displayed links, links in form of pictures or buttons, forward, backward, up and down navigation buttons.

**V13** Tradition theme: Emphasis on history and ties of a particular company with a nation, emphasis on respect, veneration of elderly, phrases “like most respected company,” “keeping the tradition alive,” “for generations,” “company legacy.”

**V14** Local stores: Mention of contact information for local offices, dealers, shops and other forms of country presence.

**V15** Free trials or downloads: Free stuff, free downloads, free screen savers, free product trials, free coupons to try the products or services, free memberships, or free service information.

**V16** Toll free numbers: To call at any time around the clock.

**V17 to V26**
These variables represent various Consumer-Message Interaction related indicators present anywhere on the homepage. They can be in forms of menu bar, links, news scrolls, announcements, text content, flash presentations or even a video (that opens on the home page itself instead of opening another page or popping out a new window).

**V17** Keyword search: a function that allows a visitor to pinpoint the particular information he or she is interested in.

**V18** Personal choice helper: A function that can make relatively sophisticated recommendations on consumers’ choices based on their input on preferences and decision criteria.

**V19** Virtual reality display: A function that permits consumers to virtually “feel or experience” the product.

**V20** Dealer locator: A function that allows a user to pinpoint a dealer closest to his or her residence.
V21 Multimedia shows: QuickTime movie, streamline video, and other forms of multimedia presentation.

V22 Software downloading: surfers download software from a site, usually for free.

V23 Games; Online games.

V24 Electronic coupon: Distributed on-line and can be used in retail stores or on-line.

V25 Sweepstakes/prize: Events held to attract surfers and to encourage surfer participation through special incentives.

V26 Interactive newsletters: users can subscribe to regular interactive newsletters through opt-in emails.

V27 to V32
These variables represent various Consumer-Marketer Interaction related indicators present anywhere on the homepage. They can be in forms of menu bar, links, news scrolls, announcements, text content, flash presentations or even a video (that opens on the home page itself instead of opening another page or popping out a new window).

V27 Online order: an option to order products online.

V28 Order status tracking: customers can track the status or whereabouts of their orders online in real time.

V29 Online problem diagnostics: when customers report their problem spots, this function helps them to locate the function exactly. Whenever possible, “trouble shooting” suggestions are given.

V30 Electronic-form inquiries or feedback: E-forms on which customers can type on-line inquiries regarding the products or the firm. Customers can fill out e-forms to express their opinions about the company, products, and the site. Customers can type in their feedback on e-forms with regard to specific questions raised by the site.

V31 Product survey: E-form survey designed for measuring customer satisfaction about firm’s offerings and service.

V32 Online discussion with sales representatives: synchronous on-line chat with sales representatives using instant messaging, Internet phone, or chatting programs.

V33 to V34
These variables represent various Consumer-Consumer Interaction related indicators present anywhere on the homepage. They can be in forms of menu bar, links, news
scrolls, announcements, text content, flash presentations or even a video (that opens on the home page itself instead of opening another page or popping out a new window).

**V33** Online community: Cyber community for product users or people who share common interests; a section where customers can share their stories, opinions or convey messages to others.

**V34** Online chatting with other customers: chatting with other customers using instant messaging or chatting programs.
APPENDIX B: CODING SHEET

Name of the company: _____________________________

V1 Country of homepage  1 = China  2 = United States

For Variables V2 to V57:  1 = Present  2 = Not present

● Individualism/Collectivism (V2-V9)
  
  V2 Community relations
  V3 Clubs or chat rooms
  V4 Newsletter
  V5 Family theme
  V6 Country specific news
  V7 Symbols and pictures of national identity
  V8 Loyalty programs
  V9 Links to local websites

● Uncertainty Avoidance (V10-V16)
  
  V10 Customer service
  V11 Security
  V12 Guided navigation
  V13 Tradition theme
  V14 Local stores
  V15 Free trials or downloads
  V16 Toll free numbers

● Consumer-Message Interaction (V17-V26)
V17 Keyword search
V18 Personal choice helper
V19 Virtual reality display
V20 Dealer locator
V21 Multimedia shows
V22 Software downloading
V23 Games; Online games
V24 Electronic coupon
V25 Sweepstakes/prize
V26 Interactive newsletters

- **Consumer-Marketer Interaction (V27-V32)**

  V27 Online order

  V28 Order status tracking

  V29 Online problem diagnostics

  V30 Electronic-form inquiries comment feedback

  V31 Product survey

  V32 Online discussion with sales representatives

- **Consumer-Consumer Interaction (V33-V34)**

  V33 Online community

  V34 Online chatting with other customers
APPENDIX C: FORTUNE GLOBAL 500 CHINESE-LANGUAGE HOMEPAGE: EXAMPLE FROM WALMART
APPENDIX D: FORTUNE GLOBAL 500 ENGLISH-LANGUAGE HOMEPAGE: EXAMPLE FROM WALMART