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Cosmopolitan-Based Cross National Segmentation in Global Marketing Simulations

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ABSTRACT

Notwithstanding the continuing globalization of marketing activities, cosmopolitanism -- the central driving concept of global orientation -- has received relatively little attention in the literature of business simulation. This paper addresses the use of the cosmopolitanism construct in simulating cross-national segmentation. It will review recent research regarding cosmopolitanism and discuss the specific implications for simulation design.

INTRODUCTION

A major feature of the modern world is the movement toward increasing globalization. In his classic article on the subject, Levitt (1983) attributes this to cosmopolitanization. He argues that the world is shrinking, in part through the action of modern transportation and communication technology, and through the desire for superior products resulting from global economies of scale.

In fact, Levitt's prophetic vision seems to be unfolding at a surprisingly rapid pace, particularly in recent years. It has encompassed virtually every part of the world, from the former Iron-Curtain countries to the less antagonistic political allies that have traditionally barricaded themselves behind import restrictions and smothering regulations in their domestic market. Modern satellite technology has opened the world to truly global media, and international travel has become affordable for the middle class.

In this context, it is significant that the notion of *cosmopolitanism* has received relatively little attention in the literature on business simulation. Wheatley, Platt and Peach (1995) investigate the proposition that *cosmopolitanism* might be related to innovative management, as reflected in the way students play simulation games. In a similar vein, Wharton, Parry and Buntzman (1999) investigate the idea that cosmopolitanism might be related to simulation success. Lorentz, Maynard and Kemp (1993) studied the effect of business simulations on developing a *cosmopolitan* managerial orientation.

Gentry and Kennedy (1993) assert that doctoral students need to be socialized to become more cosmopolitan, presumably consistent with their status as professionals, whose loyalty is to global standards of professional excellence rather than local institutions.

If the movement toward a *cosmopolitan* orientation is indeed the driver of today's emerging global society, surely this should be reflected in simulation design. Presumably, the design would incorporate the level and type of *cosmopolitanism* found in different markets as a key factor to which managers must respond when developing global strategy. This logic notwithstanding, none of the studies we were able to find treated *cosmopolitanism* as a critical variable in describing simulated markets.

The purpose of this paper will be to discuss how *cosmopolitanism* might be incorporated into simulation games. It will begin by discussing the literature on the *cosmopolitanism* construct, noting recent developments that give it more texture and usefulness in describing global effects. It will then discuss design issues, revolving around decisions that might be incorporated into simulation design and simulated research that players might be given to guide their decisions.

COSMOPOLITANISM

Literally, the term *cosmopolitanism* means "world citizen." However, as we would expect, research on the topic have given us a better understanding of what this might mean in practice. Early research in the area of *cosmopolitanism* can be traced to two independent, but conceptually related projects. First, Gouldner (1957) applied it to the way employees related to their organizations and professions. *Cosmopolitans* tended to orient themselves to a profession rather than the specific orientation in which they were employed. That is, they saw themselves first as professionals -- lawyers, physicians, engineers, professors, or advertising specialists rather than members of a particular firm, clinic, university or agency.

Second, Merton (1957) used *cosmopolitanism* in the context of geographic and political community. *Cosmopolitans* tended to orient themselves beyond their *local* community. They were people who saw themselves as citizens of the nation rather than the locality, and by extension, the world rather than the nation.

Modern theorists have begun to think of *cosmopolitanism* as being more complex than either Gouldner or Merton's work suggested. True to the original conception, it constitutes a type of cultural transcendence. But *cosmopolitans* often wear the trappings of *locals*, and *non-cosmopolitans* often appear in the guise of world travelers. For instance, Hannerz (1990) distinguishes between *cosmopolitans*, *locals*, and *tourists*. *Cosmopolitans* are people who have shed the biases of their home culture. *Locals*, by contrast, see and judge the world from the perspective of the local culture. They see their attitudes, values, and lifestyle as "good," and anything that goes against it is seen as a kind of evil contamination. *Tourists* have the trappings of *cosmopolitans*, in that they love to travel and experience new places and ways of life. Their *cosmopolitan* trappings are really just a kind of curiosity; they don't consider the diversity experience they encounter as having cultural merit or personal relevance. They are, then, really *locals* whose culture incorporates learning about other people as a social norm.

Hannerz' sees true *cosmopolitans* as actively seeking to identify and relinquish cultural biases. If *tourists* are observers, *cosmopolitans* are participants who seek to actually experience cultural diversity, making it personally relevant and a continual stimulus for personal growth and change. This active view of *cosmopolitanism* is consistent with Gouldner (1957) and Merton's (1957) earlier conceptions, but it is not inherent. It represents a new, and not necessarily universal interpretation.

One way to explain Hannerz' (1990) culture-seeking conception of *cosmopolitanism* is that *cosmopolitans* rarely exist in finished form (Thompson and Tambyah 1999). The argument is that there are relatively few true *cosmopolitans*, but rather, they are generally in the process of transition from a *local* to a *cosmopolitan* orientation. In support of this position, Thompson and Tambyah challenge Hannerz' notion of the *tourist* as a curious *local*. Drawing on the work of MacCannel (1989), they argue that *tourists* are really culture seekers who hope to find new insights that have been lost in their contemporary societies. Their position is supported by studies of tourism promotion narratives that promise travelers such things as adventure, personal enrichment, and unique cultural experiences (Urry 1990; Shields 1992; Arnould and Price 1993; Craik 1997). If these promotions are keyed to the needs of their target market, we can infer a *cosmopolitan* motivation.

This discussion implies an underlying theory of why consumers would be motivated to become more *cosmopolitan* (Thompson and Tambyah 1999): Consumers seek a kind of social status, or "cultural capital," by acquiring cosmopolitan *characteristics* (Bourdieu 1987). Consumers with high cultural capital -- *cosmopolitans* -- tend to eschew the parochial culture of their local surroundings in favor of new and exciting experiences, such as exotic foods and music (Holt 1997, 1998). Naturally, consumers who aspire to high cultural-capital status will seek to cultivate these tastes. Travel plays a key role in discussions of *cosmopolitanism* because it is seen as a way of breaking free of parochial influences to achieve the sophistication and worldly outlook implied by the exotic (Belk 1998; Morris 1998). Travel may take the form of tourism, or as in the case of Thompson and Tambyah's actual subjects, it can be achieved by living and working abroad. The fact that consumers tend to be *cosmopolitans* in transition explains why so many people exhibit both cosmopolitan and non-*cosmopolitan* characteristics.

Upon reflection, Thompson and Tambyah's (1999) view of *cosmopolitanism* as a dynamic construct makes sense. We would expect *cosmopolitanism* to develop by degrees. People moving from one orientation to another would be in a state of transition -- a state in which they are "Trying to Be Cosmopolitan" (the title of Thompson and Tambyah's paper).

Notwithstanding the profundity of Thompson and Tambyah's insight, their approach suffers from the same bias as Hannerz' (1990). It assumes that *cosmopolitans* will be actively seeking cultural diversity. However, it is just as reasonable that *cosmopolitans* -- some of them, anyway -- would accept diversity as a fact of life. Of course, this would not be true of everyone. But for some people, the transition from a *non-cosmopolitan* to a *cosmopolitan* perspective may not be motivated by status at all, but rather, conditioned by the experiences of life. Even more important, why should we accept cultural diversity as the sole index of a *cosmopolitan* orientation? Indeed, if one becomes a "citizen of the world," wouldn't we expect a movement toward a common global cultural orientation, as suggested by Levitt (1983)? This appears to be just the opposite of what Thompson and Tambyah and other modern *cosmopolitanism* theorists (e.g. Lash and Urry 1993; Friedman 1995; Robertson 1995; Urry 1995; Lury 1997) are suggesting.

In this paper, we will view *cosmopolitanism* as a set of acquired cultural orientations -- a kind of "...tool kit' of habits, skills, and styles from which people construct strategies of action" (Tse, Belk and Nan Zhou 1989, p. 459). The paper will recognize the pattern of active culture-seeking behavior posited by Hannerz (1990), but it will also account for apparently opposing expressions of world

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citizenship. It will suggest propositions regarding how these various expressions relate to each other, how they change over time, and how this might be reflected in simulation game design.

A second important perspective on the nature of *cosmopolitanism* comes from recent research suggesting that *cosmopolitanism* is not the opposite of *localism*, as most discussions seem to suggest. Rather, we should make a separate distinction between *local* versus *global cosmopolitans*.

Third, we will consider the dynamics by which people tend to become *cosmopolitan*. Given that *cosmopolitans* are "made," not "born," what are the factors that stimulate their creation? The literature suggests that people may become *cosmopolitan* for a number of different reasons, each of which suggests different implications for *cosmopolitan* behavior.

Fourth, we will develop an integrative framework for tying various types of *cosmopolitan* behavior together, all in a manner that is consistent with the basic underlying *cosmopolitanism* construct.

Finally, we will build on the patterns suggested by our integrative framework to develop a taxonomy of different types of *cosmopolitans*, based on differences in personality and need structure. Whereas as the integrative framework suggests how *cosmopolitans* will behave in different situations, the taxonomy of *cosmopolitan* types will suggest how different types of *cosmopolitans* behave. This has direct implications for developing schemes of cross-national segmentation, an important topic in the development of global advertising strategy.

COSMOPOLITANISM AND SIMULATION GAME DESIGN

The underlying premise of this paper is that *cosmopolitanism* should provide a theoretical basis for incorporating cross-national segmentation effects into a simulation game design. Of course, marketing, and particularly advertising, programs can be addressed to simulated countries or other unique geographic segments, in which case the learning from a global simulation would not be much different from that obtained from a domestic one. Conversely, marketing and advertising can be addressed to a global market, again teaching students little beyond what they would learn from a domestic simulation. Third, marketing and advertising can be addressed to cross-national segments.

Addressing marketing and advertising decisions to cross-national segments, or a mixture of local and cross-national segments, provides a potentially rich learning experience for global marketers. The question is how to define these segments.

When Merton (1957) and Gouldner (1957) developed their original conceptions of *community* and *organizational cosmopolitanism* respectively, they contrasted *cosmopolitanism* with *localism*. Merton defined *cosmopolitans* as people who are oriented toward the world outside the local community, as opposed to *locals*, who are oriented toward the community. *Locals* tend to espouse values that are taught and reinforced by their local culture, while *cosmopolitans* break free of this, relying instead on objective criteria and logic. They tend to place more credence in skills and accomplishments than interpersonal influence (Grimes and Berger 1970).

Gouldner viewed the organization is the immediate social system. *Cosmopolitans* espouse objective professional standards of competency that transcend any one organization, while *locals* concern themselves with organizational norms and influences. We should note that professionals often form their own organizations, and that these may take on a *local* flavor of their own. They may begin to institutionalize standards and support them by social norms and interpersonal alliances. However, if they are truly *cosmopolitan*, we would expect them to resist these pressures and orient themselves beyond the organization by using broad, external sources of information.

One of the interesting findings coming out of organizational *cosmopolitanism* was that some people are high on commitment to both their organizations and their professions (Gouldner 1957; Blau and Scott 1962; Kornhauser 1962; Glaser 1963; Filey and House 1969). This suggests that, contrary to earlier conceptions, *cosmopolitanism* and *localism* might actually constitute independent dimensions. A series of studies by Cannon, Yoon, McGowan and Yaprak (1994) tends to confirm this proposition, extending it to both *community* and *organizational cosmopolitanism*, utilizing data from several different countries. The underlying link was a common theoretical perspective: *Cosmopolitans* tend to define themselves and evaluate their behavior based on an objective evaluation of the best practices found in the broader world context, while their opposite (*parochials*) define themselves and evaluate their behavior based on the social norms and value perspectives of a particular group. *Locals* value local culture and relationships, while their opposites (*globals*) tend to eschew local attachments in favor of global culture and connections.

If *cosmopolitanism* and *localism* are independent constructs, there may be two different kinds of *cosmopolitans*: those who anchor themselves in their local context, and those who do not. Those who do -- *local cosmopolitans* -- are not *parochial* in their orientation. That is, they are not prejudiced, or narrow in their outlook. They simply value their local relationships, culture and sense of belonging. They would see local roots as an expression of what Belk (1988, 1989) calls the "extended self." However, we would not expect them to be "ethnocentric" (see Shimp and Sharma 1987; de Ruyter, van Birgelen and Wetzels 1998) in their consumption behavior. That is, we would not expect them to be closed to foreign cultures, overly patriotic, overly conservative, or unduly influenced by collective versus individual evaluations of quality and desirability. When confronted with inconsistencies between local culture and their own *cosmopolitan* values, they would simply accept the difference. They can transcend their local culture without abandoning it. One does not have to agree with one's friends on every issue!

*Exhibit 1:
How Different Types of Customers Respond to
Global Strategy*

Exhibit 1 portrays the two dimensions we have just discussed. First, it considers the degree of *local* orientation. *Locals* tend to identify with a particular local area or culture, while *globals* do not. Second, Exhibit 1 considers the degree of *cosmopolitan* orientation. *Cosmopolites* tend to be broad-minded and objective, while *parochials* tend to see the world from a narrow, biased perspective. Each cell in the Exhibit represents a segment of the global market -- *global cosmopolites*, *local cosmopolites*, *global parochials*, and *local parochials*. Inside each cell is a description of the kind of advertising appeal the theory would suggest is most appropriate.

This framework has direct implications for simulation design. The design would feature a demand equation that includes interaction effects between global segment membership and marketing decisions.

Beginning with Box 1, Exhibit 1 leads us to believe that Levittian global marketing does indeed work, but only for *global cosmopolites* (Box 1 of Exhibit 1). *Local cosmopolites* (Box 2) also respond to *cosmopolitan* marketing, but their *local* orientation provides an opportunity for marketers to create additional appeal by linking a product to *local* values. For instance, an automobile manufacturer might build its campaign around the quality of its world-class engineering (a global/cosmopolitan appeal). The same appeal could be made more potent for a local culture by using models, scenes, and dialog in the advertising to associate the

		Degree of Local Orientation	
		<i>Global</i>	<i>Local</i>
Degree of Cosmopolitan Orientation	<i>Cosmopolitan</i>	Responsive to marketing programs that emphasize global standards of excellence and culture. <div style="text-align: center;">1</div>	Responsive to marketing programs that emphasize local cultural needs and concerns as they relate to global standards of excellence. <div style="text-align: center;">2</div>
	<i>Parochial</i>	Responsive to marketing programs based on the consumers' special needs and biases (as opposed to objective standards of excellence). <div style="text-align: center;">3</div>	Responsive to marketing programs based on local culture, needs, and biases (as opposed to global and objective standards of excellence). <div style="text-align: center;">4</div>

product's world-class characteristics with local needs, values, and lifestyles.

A *global/parochial* (Box 2 of Exhibit 1) orientation is that of a person who may be very well traveled, but who never comes to embrace the diversity found in various cultures. Among others, these are the people who take global assignments with their companies and seek to isolate themselves within communities of ex-patriots with similar background. The pattern is typical of the colonial mentality, where the supposed masters sought to replicate their idealized lifestyles throughout the world, disdaining as inferior the culture and people of the host country. More recently, we see a similar pattern, as ex-patriot executives and their families are scattered across the globe in a kind of commercial diaspora. Often, they ensconce themselves in homogeneous communities of fellow ex-pats who share their own culture and biases

The orientation is *global*, in that the *global/parochial* respondent is clearly into travel. He has lived all over the world and is not tied to any particular locality. But, for all the world travel, he views the world through a *parochial* lens. This is the lens that drives advertising strategy. Advertising to this segment of the market can certainly be global in nature, but it would be anchored in a parochial "Western" bias, featuring American or Western European images of lifestyle and success. For instance, an automobile advertisement might show a clearly well-traveled man in Western attire driving the car in a clearly Asian city.

The *local/parochial* is similar, but without the global experience and predilection. It is also one of the most common orientations in virtually every part of the world, albeit more in developing, relatively isolated regions. The *local/parochial* identifies with the customs, values, and lifestyle of a local area and sees little value in any other.

We would expect *local/parochials* to respond to *local* appeals, drawing on tradition and the needs/values common to the local culture. For instance, an automobile advertising

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campaign would feature unique executions for each region of the world, each featuring physical and social settings that characterized the *local* orientation of the people.

In order to incorporate these principles into a simulation game, we need some kind of sales response function. Presumably, a game will include a master function that includes some kind of variable or variables representing effective marketing effort. According to the theory discussed above, we need another function in which effective marketing effort depends on the degree to which game participants makes decisions that address the needs of their target segment. Equation 1 presents such a function.

$$ME_i = \sum_{j=1}^4 \sum_{k=1}^n (SM_{ij}) * (DV_{jk}) \quad [1]$$

1. *Strategy contribution weights (DV_{jk}, where j represents strategies 1 to 4 and k strategies 1 to n).* Given that there are generally several marketing decisions associated with a given strategy, each one carries with it a decision value (DV_{jk}) to represent the propriety of the decision for the particular strategy. For instance, suppose decision k=1 is the advertising message, where the player selects one of several available advertising executions, each representing one of the strategic alternatives portrayed in the cells of Exhibit 1. If the player selects execution 1 (corresponding to Cell 1 of the Exhibit), its decision value for strategy j=1 (also representing Cell 1) would be relatively high. It would be lower for strategy 2 and 3, and even lower yet for strategy 4. The actual effectiveness numbers would be parameters that the game developer would supply. Alternatively, players may be allowed to create advertising executions, and the strategic effectiveness numbers would be assigned by a panel of advertising experts, who understand the four strategies and evaluate the propriety of the execution relative to each of them. The game administrator would then enter each of the four DV_{jk} values.
2. *Strategy/segmentation matching (SM_{ij}, where i represents segments 1 to 4 and j strategies 1 to 4).* Having established the strategic value of marketing decisions, we have only to establish the value of each strategy for each segment (SM_{ij}). There is special way for determining the appropriate numbers. Nor are the specific numbers critical to students' learning experiences. Considering Exhibit 1, matching each strategy with its corresponding segment need would clearly have the greatest strategic match. A strategy emphasizing global standards of excellence and culture would be best suited for global/cosmopolitans, and so

forth. Exhibit 2 presents a reasonable set of values for SM_{ij}.

*Exhibit 2:
A Table of Sample Values for Strategy/Segment Matching (SM_{ij})*

		Strategy			
		Global standards (1)	Local needs/global standards (2)	Non-local needs and biases (3)	Local needs and biases (4)
Segment	Global/cosmopolitans (1)	1.5	1.0	1.0	.5
	Local/cosmopolitans (2)	1.0	1.5	.5	1.0
	Global/parochials (3)	1.0	.5	1.5	1.0
	Local/parochials (4)	.5	1.0	1.0	1.5

3. *Marketing effectiveness (ME_i).* The end result of the analysis is to calculate a marketing effectiveness value for each segment (ME_i). Marketing effectiveness interacts with the corresponding effectiveness for other players to determine the relative market share in each segment. To see how the system works, suppose the net strategic value of a player's marketing decisions were .7 (out of 1.0) for strategy 1, .5 for strategy 2, .6 for strategy 3, and .3 for strategy 4. Exhibit 3 illustrates the calculation of marketing effectiveness for each segment. As the Exhibit suggests, the player's marketing evaluation is 2.30, 2.05, 2.15 and 1.90 for segments 1 through 4, respectively. These evaluations determine the relative strength of the player's global marketing program for each segment.

In the course of the game, players are able to adjust various marketing decisions. Insofar as they are able to conceptualize strategy, and mobilize their decisions in its support, they can gain a relative advantage in one segment versus another. The problem, then, is only determine which strategy is appropriate.

SIMULATING RESEARCH DATA

In order for game players to determine which strategy is appropriate, they need access to market research. First, they need some kind of information regarding the market potential. One element of this would be to provide research regarding the presence and relative size of the cross-national and local segments. The simulation designer might offer any combination of three sources of data.

1. *Secondary market data.* As a first source of information, players might be given general secondary information to feed the process of intuitive decision-making. We have noted the fact that many people are motivated to become *cosmopolitan* as a means of acquiring "social capital," or status within their society. However, an even more prevalent view grows out of the theory of diffusion of innovations (Rogers 1995). It suggests that people become *cosmopolitan* simply because they are exposed to so much diversity. *Cosmopolitanism* has been found to be related to such things as the tendency to innovate (Helsen, Jeddi, and Desarbo 1993) and exposure to external information (Hage and Dewer 1973; Kimberly 1978; Gatignon, Eliashberg, and Robertson 1989). In order to address these factors, the simulation might provide players with data regarding income (presumably related to the desire for "social capital") and communication technologies. The more affluent and well communicated a market, the more likely that it will be drive by *cosmopolitan* rather than *parochial* values.

Note, however, that this approach does not help players distinguish between *global* and *local* orientation.

2. *Consumer interviews.* The second source of information might be simulated consumer interviews. These would consist of simulated interview data from consumers through which players might extract segment classifications. Presumably, these descriptions would be represented as in-depth interview or focused group interview data. For instance, Exhibit 4 provides excerpts from interviews that might represent each of the four types of consumers. Of course, the game developer would need to tailor these to fit the actual game scenario. Among other things, each "local" orientation could be modified to reflect any number of specific local areas or cultures or countries included in the simulation. Furthermore, creating variations of the interviews might enable students to wrestle with the ambiguities of qualitative data, sorting through interviews to pick out the themes that represent distinct, underlying segments (see Cannon and Boglarsky 1992).

*Exhibit 3:
A Table of Calculations for Marketing Effectiveness (EM_i)*

Evaluated Strategy	Strategic Value (DV _{ij})	Segment 1 (SM _{1j} *DV _{ij})	Segment 2 (SM _{2j} *DV _{ij})	Segment 3 (SM _{3j} *DV _{ij})	Segment 4 (SM _{4j} *DV _{ij})
1	.7	1.5*.7=1.05	1.0*.7=.70	1.0*.7=.70	.5*.7=.35
2	.5	1.0*.5=.50	1.5*.5=.75	.5*.5=.25	1.0*.5=.50
3	.6	1.0*.6=.60	.5*.6=.30	1.5*.6=.90	1.0*.6=.60
4	.3	.5*.3=.15	1.0*.3=.30	1.0*.3=3.0	1.5*.3=4.5
Total		2.30	2.05	2.15	1.90

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*Exhibit 4:
Sample Interview Data for Identifying Global
Market Segments*

		Degree of Local Orientation	
		<i>Global</i>	<i>Local</i>
Degree of Cosmopolitan Orientation	<i>Cosmopolitan</i>	<p>"I like to experience the best of what the world has to offer. I have friends everywhere, and I love the texture and variety of their cultures. I could live anywhere -- New York, Singapore, Kiev, or Rio de Janeiro. I love them all, but no place offers everything. When I want culture, I go to London; if I want art, I go to Paris; if I want intellect, I go to Moscow. It's all out there. You just have to find out where."</p> <p style="text-align: center;">1</p>	<p>"I am proud of my heritage. It affects the way I dress, think, act, and relate to the world. I love coming home. In fact, when I live abroad, there is a part of me that feels like a displaced person. At the same time, I am always looking for new experiences and better ways to do things. I have close friends from all over the world. I am always learning from them, sharing their culture, and growing to appreciate the beauty and diversity the world has to offer."</p> <p style="text-align: center;">2</p>
	<i>Parochial</i>	<p>"I travel with my work and have lived all over the world. But I never live with the locals. It just doesn't feel right. You know, I feel really awkward saying this. It is certainly not politically correct, and I believe in 'Live and let live.' But most people just don't much sense of honor, values, or morality. They certainly don't understand business, and they have no sense of honesty or democratic principles."</p> <p style="text-align: center;">3</p>	<p>"One time, a friend of mine moved to a foreign country. She invited me to come along, but I declined. She comes back once a year. Why anyone would want to go half-way around the world unless she had to. If I wanted to see foreign places, I could read about it in <i>National Geographic</i> or rent a video. I have everything I want right here. Some people seem to have a need for more, to travel, to experience new things. I don't."</p> <p style="text-align: center;">4</p>

3. *Consumer surveys.* While interviews provide a rich source of insight into consumer thought processes, they do not provide a good idea of how large segments are. Of course, the game designer might suggest a size for each segment represented by the various interview patterns. For instance, Segment 1 might represent 15% of the target population, Segment 2 might be 35%, Segment 3 might be 10%, and Segment 4 might be

40%. An alternative might be to provide simulated survey data to answer the same question. For instance, Exhibit 5 presents scales for measuring *cosmopolitan* versus *parochial* and *global* versus *local* orientation. The game developer might either provide summary data to identify the percentage of consumers who are *global cosmopolitans*, *local cosmopolitans*, etc. (Segments 1 through 4, as we have just discussed), or alternatively, create synthetic data that would enable students to perform standard market research manipulations, using SPSS or some other statistical package.

In addition to knowing the nature and relative sizes of the market segments, game players must also have access to the relative buying power and competitive intensity expected for each segment. These, of course, depend strongly on the structure of the game itself. However, a simple approach is to provide an average income for each segment, or perhaps average category purchases.

Competitive intensity might be reflected in everything from analyses of the decision value of competitors strategy (a report of estimated data similar to those provided in column 2 or the bottom row of Exhibit 3 above) to examples of competitive advertising (from which players could infer each competitors' positioning.

*Exhibit 5:
Scale Items Representing Cosmopolitanism vs. Parochialism and Localism vs. Globalism**

<i>Cosmopolitanism vs. Parochialism Scale</i>	<i>Localism vs. Localism Scale</i>
I wish I could speak at least one foreign language	I tend to get intensively involved with the people around me
I like immersing myself in different cultural environments	I am most comfortable when I am talking to my close friends
I enjoy getting news from all over the world	I like to surround myself with things that are familiar to me
World issues concern me more than the issues of any one country	I tend to be very loyal to my friends
When I make an important decision, I look for information from as many different sources as possible	I appreciate the importance of following tradition

* Adapted from Sung-Joon Yoon, Hugh M. Cannon, and Attila Yaprak. "Evaluating the CYMYC Cosmopolitanism Scale on Korean Consumers." Results published in *Advances in International Marketing*, Volume 7 (1996), 211-232.

SUMMARY AND CONCLUSIONS

This paper has focused on *cosmopolitanism*, and the parallel construct of *localism*, as a basis for simulating issues of local and cross-national segmentation. These represent critical issues in today's environment of global marketing. However, relatively little has been done to address them in the literature on simulation and gaming.

We have not only elaborated on the nature of the *cosmopolitanism* and *localism* constructs, but we have suggested specific techniques through which they might be incorporated into global marketing simulations. Of course, the actual application will depend on the nature of the game itself, and the creativity of the game designer. However, we suggest that cosmopolitanism is not only useful as a method of getting at cross-national segmentation issues, but it is very practical as well.

As always, a paper such as this raises more issues than it resolves. Clearly, more work is needed to provide guidance for designers who want to simulate specific *local* cultures. According to the underlying theory, the specific nature of each local segment is what drives their purchase behavior. However, gamers have considerable experience in modeling such local effects. The larger problem is how to get at cross-national segments.

We recognize that there may be many different types of cross-national segments. This paper does not pretend to address all of them. Nevertheless, it provides a theoretically sound basis for one major type. Furthermore, unlike local segments, the cosmopolitan cross-national segment tends to share universal values (excellence and cultural authenticity). This is much easier to model than local segments, each of which would be driven by unique needs, cultural norms and values.

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