



THE POLISH CONSUMER'S CONCEPT OF PRICE AS A MARKETPLACE CUE

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ABSTRACT

As globalization continues, companies will face both opportunity and risk when participating in foreign markets. Cross-cultural research seeks to inform academics and practitioners about consumer behavior across national markets. The current study examines whether Polish consumers recognize price as a cue in apparel purchasing decisions. Confirmatory factor analysis indicates that Polish consumers (N=355) recognize four dimensions of price including the price/quality schema, prestige sensitivity, price mavenism and sale proneness. Directions for measurement development and future research are offered.

KEYWORDS: Polish consumer, price, marketplace cue, apparel marketing, cross-cultural marketing).

INTRODUCTION

Globalization continues to create both opportunities and obstacles for companies that seek to develop, manufacture and/or sell products and services outside of their home markets. A key question that both practitioners and academics face when formulating internationalization strategy is whether to standardize or adapt current products, services and/or practices for foreign markets. Standardization involves less risk upon market entry but can easily result in failure in misunderstood markets. On the other hand, adaptation is riskier from the beginning but can create great opportunity when it is effectively executed. Therefore, the decision(s) to standardize and/or adapt business policy for a host market is critical to successful internationalization strategy. The adaptation-

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standardization decision is particularly challenging for companies who seek to market and distribute consumer goods and services to target markets that are substantially different from their home market along socio-economic, political and/or cultural dimensions. Over the past 10 to 15 years, the transitional economies of Eastern Europe have become an important context for western marketers (i.e., particularly U.S. and Western European companies) who seek growth beyond home markets. The Polish market has been particularly alluring to U.S. and European companies since privatization began in the early 1990's (Manakkalathil & Chelminski, 1993).

Academics have responded to the international business community's interest in Poland (and other countries in Eastern