

A Study on Effect of Modern Business on Indian Culture

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Abstract:- Culture refers to the patterns of thought and behaviour of people. It includes values, beliefs, rules of conduct, and patterns of social, political and economic organization. These are passed on from one generation to the next by formal as well as informal processes. Culture consists of the ways in which we think and act as members of a society. Thus, all the achievements of group life are collectively called culture.

Thus, the purpose of this study was to review the effect of modern business on Indian culture. The works of literature were a blend of published papers and articles on Google Scholar, Research Gate, books, and other journals. A number of papers were analyzed to bring out the effects of the modern business on Indian culture and the way it has impacted the mental health of the consumers. It was found that the consumers demand for the modern goods and services but also as per their culture. So the business entities have to adopt the culture of the surrounding area where they are implementing their business strategy and are trying to attract the consumers and also various programs were initiated by Business firms for the growth of their business and also to fulfill the cultural demand of the consumers. Overall, the paper assists in knowing the effect of modern business on Indian culture.

Keywords:- Modern Business, Indian Culture And Hofstede's Cultural Dimensions.

I. INTRODUCTION

Culture can be defined as the behaviors and beliefs characteristic of a particular social, ethnic, or age group. The culture of India is a potpourri of many diverse sub-cultures spread widely over the Indian subcontinent and traditions that are several millennia old. Modern business brought in lot of changes in various dimensions in Indian culture, especially in the field of consumer behaviour. They are moving rapidly towards Western culture. The marketers play a major role in bringing in such culture by educating the consumers with the help of mass media. Modern business, culture has changed and transformed the face of the Indian cities. Tempting advertisement, fancy shops, new foreign-brand cars, televised

soap operas, luxury goods, foreign fast-food restaurants and still more visible youth culture with crude foreign imitation proliferated. The consumer's adaptability pace is also very high.

➤ Objective

The primary objective of this paper is to analyze the **EFFECT OF MODERN BUSINESS ON INDIAN CULTURE**. Along with it also includes taking a step to overcome the problems by suggesting some tips for business interaction in India in practicality.

II. METHODOLOGY

The current study is based on secondary data, i.e through the information collected from published journals, articles, and papers on websites, Google Scholar, and Research gate. This paper examines the Indian culture using Hofstede's Cultural Dimensions and compares the average Power Distance Index (PDI), Individualism (IDV), Masculinity (MAS), Uncertainty Avoidance Index (UAI), Long-Term Orientation (LTO) and Indulgence.

A. Socio – Culture Environment

Culture is defines as living style of people living in a society. If includes food habits, dressing style, language spoken, celebration of festivals etc. Culture also includes institutions like family, school, government and also business. Culture defines boundaries based on the life style of group of the people, Culture is society specific, every society has its own unique culture:

Eg. : We broadly classify culture into Western and Indian or Eastern culture. Western culture is modern, progressive where as Indian culture is traditional and orthodox.

B. Culture Is Divided Into

- **SURFACE CULTURE:** It is external; it can be seen and experienced. It includes food, clothing language, family, festival, architecture, music etc.
- **DEEP CULTURE:** It is internal, it cannot be seen, but it can be felt. It includes values attitudes, beliefs, and emotions. It is expressed in the form of surface culture.

Culture of India can be seen in its food which is spicy and full of variety. Indian culture is famous for its architecture of temples, palaces, forts etc. They explain history and life styles of Indian people. Western culture can be seen in its fast foods, high rise buildings, bridges, industries that depict modernism, freedom and economic progress.

Culture of each society is unique and specific. Business which is part of society must adapt itself to the prevailing culture and customers of that society.

III. CULTURE AND BUSINESS

Business has to deliver the goods and services required in the society. The products must be according to the culture norms and practices of the society. Adaptation to culture is very much essential to modern business. Firms that undertake international business set up their business in different parts of the world. Wherever they establish their business, they have to ensure that it fulfills culture norms of the society.

Eg. : McDonalds a MNC, which has worldwide business operations in fast food business, has to prepare its delicacies to match the taste of each country. People in USA prefer delicacies prepared out of swine, beef and pork. People in India like spicy, fresh and hot food. They prefer the mutton of sheep or goat. These likings must be kept in consideration, when the products are to be served in different markets.

Success of modern business depends on adaptation to each culture. Product consumed may be the same, but its ingredients, method of consumption and distribution differs.

Eg. : Roti is a common and basic food in India, which is served in different variety, like Jawar Roti, Chapati, Tanduri Roti, Ragi Roti etc. In western society Bread is the alternative to the Roti, which is served packed. These are simple examples as to how products are to be manufactured and marketed to match the requirement of each modern business market.

“Different styles of communication and mindset, such as the Indian discomfort with directly saying no, means many businessmen and women from Europe have left a meeting thinking they have reached an agreement or closed a deal, only to find out later they haven’t. You need to be prepared to read the signs.”

IV. GEERT HOFSTEDE’S CULTURE DIMENSIONS

Professor Geert Hofstede and his associates conducted a large – scale research project between 1967 – 1973 a survey within IBM including 1,16,000 participants in more than 70 countries.

The cultural dimension represents independent preferences for one state of affairs over another that distinguishes countries (Rather than individuals) from each other.

➤ *Power Distance Index (High Versus Low) :*

In society with **higher/larger power distance** accept a hierarchical order in which everybody has a place and which needs no further justification.(Malaysia, Mexico, Panama, Philippines, Singapore etc.)

In society with **low/small power distance**, people strive to equalize the distribution of power and demand justification for inequalities of power.(Austria, Denmark, Israel, Finland, New Zealand etc.)

➤ *Individualism Versus Collectivism :*

A **high IDV** score indicates weak interpersonal connection among those who are not part of a core “family”. Here, people take less responsibility for others actions and outcomes.(Australia, Canada, Great Britain, Netherlands, USA etc.)

In a collectivist society, however, people are supposed to be loyal to the group to which they belong, and, in exchange, the group will defend their interests. The group itself is normally large, and people take responsibility for one another’s well-being.(Panama, Pakistan, Ecuador, Guatemala, Venezuela etc.)

➤ *Masculinity Versus Femininity :*

In **masculinity societies**, the roles of men and women overlap less, and men are expected to behave assertively. Demonstrating success and being strong and fast, are seen as positive characteristics. In masculinity cultures, differences between gender roles are more rigid. (Italy, Austria, Japan, Switzerland etc.)

Its opposite, **Femininity**, stands for a preference for cooperation, modesty, caring for the weak and quality of life. In femininity cultures, difference between gender role are less rigid and seen as positive characteristics.(Costa Rica, Denmark, Netherland Norway, Sweden etc.)

➤ *Uncertainty Avoidance Index (Uai) (High Versus Low):*

The **uncertainty avoidance dimension** expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. The fundamental issue here is how a society deals with the fact that the future can never be known.

Countries showing strong UAI maintain rigid codes of belief and behavior and are intolerant of unorthodox behavior and ideas.

➤ *Long – Versus Short – Term Orientation*

Countries with a **long term orientation** tend to be pragmatic, modest, and more cautious and encourage thrift and efforts in modern education as a way to prepare for the future. (for example : China, Japan)

In **short term oriented** countries , people tend to place more emphasis on principles, consistency and truth, and are typically religious and nationalistic. (example : Pakistan, Nigeria, Philippines)

➤ *Indulgence Versus Restraint*

Indulgence stands for a society that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun. It describes happiness and the importance of leisure, controlling your own life and freedom of expression.

Restraint stands for a society that suppresses gratification of needs and regulates it by means of strict social norms.

V. IMPACT OF CULTURE ON MODERN BUSINESS

Success of any international business firm depends on to what extent such firm adapts itself to the conditions of each society. Consumption patterns and habits of people are dependent on culture. Culture of each society differs. It is inevitable that every firm particularly an international firm has to bring in culture adaptation in its functioning to match the culture requirements of each society. It is said “be a Roman in Rome” like that, if a business is to be established in India it has to be Indianised, if in USA it has to be Americanized. The products, organization, management and marketing of the business must be as per the prevailing culture of society.

VI. BUSINESS AND INDIAN CULTURE

Life style in India or Eastern society is Quite contrast or opposite. People believe in austerity and economy. They live in joint family, which is of big size. People are dependent. They have time, but less money. They live in hot climate. More people live in villages and rural areas. Based on the aspects, their consumption habits and product are as follows :

- **FOOD** : It is prepared by the members of the family. There is variety. People prefer full meals, breakfast, lunch, evening snacks are still dinner.
- **CLOTHING** : Clothing is less costly, not trendy. People prefer to get their dress stitched by tailor. Readymade garments are still not popular.
- **SHELTER** : One home for entire family. Arrangements and facilities depends on income levels of the family. There is common use of every facility, no separate or

independent bathrooms or bedrooms etc. they are not luxurious.

- **VEHICLE** : Family will have one or two vehicles. Cycle is more common. Now a days two wheelers have become more popular. Vehicles are shared. Double ride, triple ride and some times more than that is quite common. Vehicle should be sturdy, fit and less costly. Public transport like KSRTC, Railway, and Auto is very popular.
- **FESTIVALS AND CELEBRATION** : Society is traditional and it celebrates many festivals. Every celebration is on a grand scale. New dress, special foods, music concerts etc. are common. There is more special gathering during such occasion.

Firms which want to establish business in a foreign country must understand the prevailing culture and customs of that society. Products should be designed to match the living styles and standards of the people. Products in countries like India must be durable, reasonable price, whereas products in western society must provide comfort and it can be costly.

VII. CONCLUSION

In conclusion, the Indian market is hungry for new global businesses that are ready to enter its consumer base. However, a successful entry will look into a variety of factors such as the level political stability, the economic situation, the local needs of such a corporation as well as key success factors that make or break the company. As with anything, everything needs to be considered and questioned as well as thoroughly planned, hypothesized, and considered before any action such as entry.

This paper has contributed in understanding effect of modern business on Indian culture through Hofstede Dimensions culture score analysis.

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